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NEWS SUMMARY

GENERAL

New Times talks agreed

The National Graphical Association accepted an invitation for talks with the management of the Times to hear new proposals for the introduction of new technology.

The date and place of the meeting—the first since talks broke down on April 12—were not disclosed.

A new formula for introducing computer-linked keyboards will be put forward by "Duke" Hussey, chief executive of Times Newspapers. Page 11

Begin stand

Israel will never give up the occupied Golan Heights, even in exchange for a peace agreement with Syria, Mr. Menahem Begin said. Radio Riyadh accused Egypt's President Anwar Sadat of being a liar. Back and Page 4

Troops build-up

Vietnam is reinforcing its troops along the border with China to counter the renewed attack it fears following the stalemate in talks between the two countries. Page 4

Paris blasts

A wave of bomb attacks in central and suburban Paris followed the traditional Labour Day celebrations. No one was hurt. Several previously unknown organisations and individuals claimed responsibility. Extra police patrols are planned. Page 2

Russian leaves

Alexander Istinin, the Russian journalist who sought political asylum in London, has been granted a 12-month extension of permission to stay in the UK. The Home Office was considering the case of Soviet folk dance group interpreter Galina Orionova who asked for asylum at Heathrow on Monday.

Laker cargo plan

Sir Freddie Laker, chairman of Laker Airways, wants to carry advance bookings and to carry cargo and mail on his Skytrain cheap-fare flights between Gatwick and New York and Los Angeles. Page 6

Cold spell stays

Much of northern England had two inches of snow and the south suffered widespread frost and black ice in the coldest start to May since records began in 1831. The cold spell could last a few days, which means a chilly prospect for today's voters.

Basque initiative

The Spanish Government seems poised to launch an initiative in the Basque country where two Civil Guards were shot dead, bringing to 21 the number of killings this year by ETA separatist guerrillas. Page 3

Workers excluded

Migrant workers—nearly a third of South Africa's black labour force—will be excluded from the proposed industrial relations deal. Page 4

Briefly

Japanese mountaineers have climbed the 23,400 ft. Tibocho and the 21,880 ft. Tamsark peaks in the Himalayas.

Underground newspaper on sale at Peking's Democracy Wall appealed for freedom of speech in China.

Film star John Wayne, who had a major stomach operation in January, has returned to hospital.

Supermarket tycoon Julius Kravitz, aged 67, was shot dead by kidnappers in Ohio after he failed to raise a \$1.5m ransom by telephone.

Woman threw five of her children, all under the age of six, into a river at Calgary, Alberta, and then jumped in. All are thought to have died.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES	
Escheé, 11pc 1981 (£15 pd.)	215 + 4
Blue Circle	330 + 6
Boots	230 + 8
Brooks Group	158 + 7
Brown (J.)	971 + 10
Burton A.	308 + 8
Digitizers	434 + 4
CEC	47 + 4
Hogg Robinson	144 + 8
Laporte	123 + 9
Lloyds Bank	345 + 13
Marx and Spencer	129 + 4
Minty	140 + 10

FALLS	
Bambars	262 - 8
Marshall's Universal	152 - 10
National Council	102 - 5
National Carrel	102 - 5
Tenz-Consultants	79 - 4

BUSINESS

Equities up 7.8; Gilts recover

● **EQUITIES** regained more than half the previous day's losses, and the FT ordinary index rose 7.8 per cent to 544.8. The FT Industrial Ordinary Index rose 7.8 to 544.8.

● **GILTS** recovered after publication of the latest UK official reserve figures, and the Government Securities index rose 0.24 to 75.32.

● **STERLING** gained 75 points in quiet trading to close at \$2.0690. Its trade-weighted index rose to 67.2 (66.9), and the dollar rose to 86.6 (86.5).

● **GOLD** in London rose \$1 in cautious trading to close at \$2461.

● **WALL STREET** was 0.37 down at \$34.64 just before the close.

● **WEST EUROPEAN** chemical companies are falling "dangerously" far behind their U.S. competitors on profitability, costs and produce prices. BASF managing director has said. Back Page

● **THE U.S.** and Canada have threatened to pull out of the Montreal Agreement which allows the two countries to allow them to impose import curbs under exceptional circumstances. Page 5

● **LIDEN (HOLDINGS)** auditors are to seek re-election at the annual meeting now to be held on May 29 after direct intervention in the disagreement between the Board and the auditors by five institutional shareholders. Page 26

● **LLOYD'S** has accepted the opinion of Sasse managing agent Mr. Stephen Merrett that a probe is needed into other underwriting syndicates formerly managed by Mr. Frederick Sasse. Page 6

● **POOR QUALITY** disc brake and materials, mostly from Spain and Italy, are being sold in the UK, a group of UK manufacturers has claimed. Page 7

● **DUTCH** Government has invoked a four-year agreement which allows it to borrow extra funds from the central bank to meet temporary cash shortages. Page 2

● **LABOUR** POSTAL WORKERS have overwhelmingly rejected by ballot a pay and productivity offer worth 12 per cent, while Civil Service unions have formally agreed a pay deal averaging 25 per cent over eight months. Back Page; Economic Viewpoint, Page 24

● **COMPANIES** NATIONAL and Commercial Banking Group pre-tax profits rose 51 per cent to £41.05m for the six months ended March 31, 1979. Page 27 and Lex

● **WILMOT BREEDEN**, the UK motor components manufacturer, has reluctantly dropped its opposition to the £24m bid from Rockwell International of the U.S. Page 30

● **BSV**, Holland's main ship-building group, is seeking up to £1.7bn (\$364m) aid from the Dutch Government after last year's provisional net deficit of £1.57m (\$29m), well up on the £1.49m loss of 1977. Page 33

Liberal strength may be growing

Narrow Tory lead in opinion polls

BY PHILIP RAWSTORNE

THE LATEST opinion polls predict that Mrs. Margaret Thatcher will lead a Conservative Government with a small overall majority in the Commons.

But Liberal strength is still increasing and if concentrated in the critical marginal seats could deny the Tory leader her place in history as the first woman in 10 Downing Street.

Three opinion polls this morning give the Conservatives a lead ranging from 6 per cent to 2 per cent.

If reflected nationally in the polling booths today, a 6 per cent lead would give Mrs. Thatcher an overall majority of about 30 seats.

A 2 per cent lead would make the party the largest in the Commons, but would not be enough to give it overall command.

Mr. James Callaghan would have then the constitutional right to attempt to retain office by securing minority party support.

The polls suggest that outright victory could still be snatched from the Tory grasp by a varied pattern of voting in the country.

Canvass returns from the constituencies suggest sizeable gains for the Tories from Labour in London, the South of England and the Midlands. Labour is reported to be strong in Scotland and the North of England, and the Liberals are recognised as a

Marplan: Tories 42 per cent, Labour 36 per cent, others 2 per cent.

The Marplan poll also shows a significant proportion of voters—about 6 per cent—had not yet decided how to vote. A last-minute movement could

STATE OF THE POLLS		
	Final	Previous
Marplan Sun	6 p.c. Con. lead	7 p.c. Con. lead
MORI Daily Express	5.6 p.c. Con. lead	3 p.c. Con. lead
Gallup Daily Telegraph	2 p.c. Con. lead	5 p.c. Con. lead

Leader vigorously repeated that a vote for any of the minority parties would be wasted.

Mrs. Thatcher went on to issue a stern warning that if the Tories won, the works by would face tougher times.

Unemployed people who persistently rejected suitable jobs would not be allowed to continue living on social security payments taken from someone else's taxes.

Mr. Callaghan in Cardiff last night called for a vote of confidence in the Labour Government.

Labour had replaced confrontation by cooperation, he stressed; and he appealed to the nation not to turn back the clock.

The Ulster Unionists followed the Liberals yesterday in setting out their terms for co-operation with either a minority Tory or Labour Government in the new Parliament.

Mr. Harry West, leader of the Official Unionists, said the main condition that would be demanded would be agreement on a return to fully developed government for Northern Ireland.

Earlier yesterday the Tory

increase the chances of a hung Parliament.

But Mrs. Thatcher, after a rapid tour of Labour-held margins in London, said that Tory canvasses confirmed that there was "a very good chance" of a clear Conservative majority.

"We are quietly optimistic. We have very good grounds for being optimistic," she declared.

"I believe in my heart we shall get a majority. Not only in my heart—my head has done quite a lot of calculations as well."

Earlier yesterday the Tory

Election news, Pages 6 and 7 ● Editorial comment, Page 24 ● The results — what to watch for tonight, Page 25

Big foreign currency inflow offset by repayment to IMF

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

INFLOWS of foreign currency into the UK amounted to \$675m (£328m) during April. Most came in during the first few days of the month before the Bank of England stopped intervening on a large scale to check the rise in sterling.

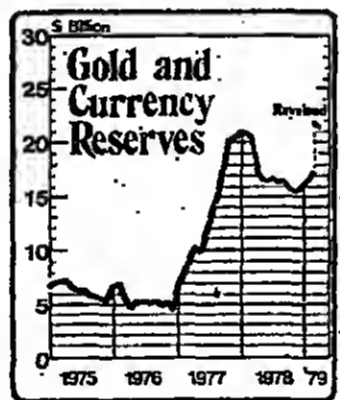
However, these inflows were offset by big early repayments of Britain's overseas debts, chiefly a further \$1bn to the International Monetary Fund.

Consequently, the official reserves fell during April by \$450m to \$21.47bn.

Announcement of these figures helped boost an already strong pound, which closed 75 points up at \$2.0690 after a day's high of \$2.0720. The trade-weighted index, measuring the value of sterling against a basket of other currencies, rose by 0.3 to 67.2.

Sentiment in both domestic financial and foreign exchange markets continued to be affected by uncertainty about the outcome of today's election.

Business on the stock market was small and the 7.8 point rise in the FT 30-share Industrial Ordinary Index up to 544.8 in part represented a closing of



speculative positions after the 14.3 point fall on Tuesday.

The big inflows of foreign currency in April provide a fair indication of the scale of intervention in the early days of last month. But the flows may have been offset to a small extent by support for the pound on occasions in the last fortnight.

There were also the usual other transactions for Government departments with foreign central banks.

Heavy intervention early last

month—after an underlying inflow of \$1bn in March—forced the authorities to change their market tactics on April 5.

Since then, the aim has been to keep the market guessing without large-scale action. This is in the hope of avoiding inflows which would threaten domestic monetary control.

The result has been satisfactory from the authorities' point of view. After a April 24 per cent rise in the trade-weighted index, sterling has settled down to fluctuate within a fairly narrow range.

The repayment of official debt continues to have a big impact on the published reserves total. Apart from the \$1bn repayment to the IMF, a further \$61m was repaid on the due dates to the Fund, the first of 16 equal quarterly instalments to pay back the oil facility drawings.

The UK has now repaid a total of \$3.1bn to the IMF out of \$5bn originally drawn. Repayments so far are equivalent to all the 1978 standby credit and all drawings under the four credit tranches.

Of the \$1.9bn now outstanding, the repayment of \$700m next year will have no impact

P & O cuts back as profits fall

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

PENINSULAR and Oriental Steam Navigation yesterday reported sharply reduced profits and confirmed that it is to sell most of its energy division.

At £18.34m pre-tax, profits were down by more than £24m on the 1977 figure, and Lord Incheape, the group's chairman, warned that 1979 would be another "poor year".

In spite of this, the troubled shipping company has maintained its dividend, although a large question-mark was placed over the 1979 dividend, which Lord Incheape said would depend on factors impossible to forecast this year. The shares rose 2 1/2 to 87 1/2.

As part of its efforts to cut

overheads, P & O is also abandoning the three floors it still occupies in its 10-year-old headquarters building in Leadenhall Street in the City of London.

Displaced staff will join other P & O departments in nearby Beaufort House, a converted 1930s warehouse. So far 1,200 staff have left as a result of the group's contraction.

Lord Incheape said, however, that the group would not be selling any property interests, which were providing high returns and which would be necessary as a base for future borrowing.

Another area in which the company hopes to improve its financial strength is in the sale

of part of its 10-strong gas ship fleet.

P & O is even hopeful of finding a buyer for one or more of the large new liquid petroleum gas tankers built in Germany, which have been the biggest factor in the group's financial problems.

The vessels cost around \$40m each and those which traded last year did so at less than half the rate needed to cover costs. Improved gas trading conditions since the Iranian crisis broke have lifted rates to 75 per cent.

Continued on Back Page

P & O results, Page 26

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Lex, Back Page

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Fall in value of yen worries Tokyo

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

THE STEADY and rapid decline in the dollar-denominated exchange value of the yen is beginning to cause serious concern to the Japanese Government, even though the Tokyo Stock Exchange has reacted by reaching new highs.

The yen touched 225.80 to the dollar in Tokyo at one point yesterday morning, a decline of 6.65 points, 2.9 per cent since the end of last week.

Since October, when it reached its highest level in terms of the dollar since the end of the war, the depreciation has amounted to about ¥30, roughly 32 per cent.

The Japanese Ministry of Finance, which keeps a careful watch on the yen's movements, would apparently like to see the rate floating somewhere around \$1 to ¥200.

The 220 to 230 range, within which the yen has been floating since the dollar was worth less than ¥200, can now do so at a handsome profit.

The basic cause of the yen's recent weakness has been the sudden shift to deficit in Japan's overall balance of payments.

The overall balance, including long-term capital movements, went into the red in October and has stayed there since, while the current account balance, reflecting visible and invisible trade balances had its first deficit for over three years in March.

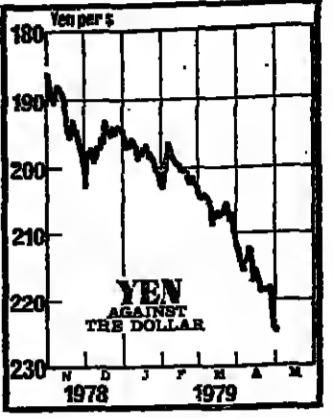
In the final three months of 1978 dollar-purchasing by the Bank of Japan to mitigate what was still believed to be the underlying strength of the yen produced a further drain on the market's supply of foreign currency.

The accumulated payments deficits from October to March, combined with Bank of Japan dollar purchases, resulted in a total of \$7.6bn being drawn out of the market in the six-month period.

The Bank of Japan started pumping dollars back into the market in the first three months of 1979, selling an estimated \$4bn-plus in this period.

That still left the market starved of dollars at the beginning of April. The shortage has continued into May.

Critics of the Japanese Government's exchange rate management policies in the past half-year say the Bank of Japan should, in any case, have stopped supporting the dollar



and began supporting the yen earlier than it did.

The timing and amount of the 75 per cent increase in the Bank's discount rate announced on April 16 are felt to have been poorly judged.

The shift to a higher rate was intended to attract funds back into Japan and strengthen the exchange rate, besides dampening down local inflationary pressures.

It failed to do so in part because West Germany had acted sooner, increasing her discount rate by 1 per cent in March.

Official mishandling of exchange market and interest rate policies provides only part of the explanation for speed at which the yen has weakened. Most of the remaining blame lies with the rise in oil prices and other international commodity prices, which help increase Japan's import bill at a time when her exports are falling fast in volume terms under the impact of the yen's earlier revaluation against the dollar.

Officials seem worried that a further rise in oil prices later this year could create real problems for Japan's balance of payments.

This danger is being stressed less than the alternative fear that weakness of the yen could provoke a further surge of Japanese exports later in the year, leading inexorably to revival or intensification of trade frictions with the U.S. and Europe.

Because of this danger Japan would like to find ways of stopping the yen from sinking below the level of \$1 to ¥230

Japanese Prime Minister in U.S. Page 4

£ in New York

	May 1	Previous
Spot	\$2.0690	\$2.0610
1 month	0.27	0.25
3 months	0.32	0.28
6 months	0.35	0.30
12 months	0.40	0.35

Money markets Page 35

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EUROPEAN NEWS

Britain moderate by EEC test of state spending

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT IN BRUSSELS

DISPITE CLAIMS by the Conservative Party that public spending is out of control in Britain, general Government expenditure accounts for a smaller proportion of gross domestic product than in most other EEC countries...

W. German trade surplus declines

By Adrian Dicks in Bonn

WEST GERMANY'S surpluses on both its current account and its trade account during the first quarter of this year were well down from the first quarter of 1978, despite a sharp increase in both figures in March...

DUTCH GOVERNMENT INVOKES AGREEMENT ON CASH SHORTAGES £235m Central Bank loan sought

BY CHARLES BATCHELOR IN AMSTERDAM

THE DUTCH Government has invoked a four-year-old agreement which allows it to borrow extra funds from the Central Bank to meet temporary cash shortages. This move emphasises the Government's difficulties coming against the background of the warning from Dr. Jelle Zijlstra, the Central Bank president, about the size of the Government financing deficit...

Bomb explosions sweep Paris and its suburbs

BY ROBERT MAUTHNER IN PARIS

A WAVE of bomb explosions hit Paris and its suburbs early yesterday, in the wake of the May Day demonstrations. Responsibility was claimed by several previously unknown organisations. The wave of bomb attacks, which did not cause any injuries, follows similar incidents in Corsica and Toulouse, within the past few days...



Workmen clear-up after a bomb destroyed part of the Electricité de France office in Paris.

Muskie's NATO spending pledge

BY GILES MERRITT IN BRUSSELS

MR. EDMUND MUSKIE, the U.S. Senator from Maine, yesterday underlined U.S. efforts to meet NATO members' target of a 3 per cent increase in defence spending. Mr. Muskie said he hoped the U.S. would get as close to that target as possible, and estimated the rise in real defence spending at 2.5 to 3 per cent for fiscal 1980.

U.S. arms for Turkey

WASHINGTON — The Pentagon yesterday took steps to sell Turkey \$111m worth of spares and ammunition for its Phantom fighter aircraft. The Defence Department notifying Congress of the proposed sale, stressed that it would provide "evidence of U.S. support for NATO and for Turkey."

Curfew is lifted in Istanbul

By Mevin Mumir in Ankara

TRANKISE/TROOPS returned to barracks yesterday as the first of the demonstrators arrested by police during May Day protests were released without being charged. Officials said that about 2,500 people, including left-wing trade union officials, were detained over the past four days for violating the May Day restrictions.

Italian oil curbs likely soon

BY RUPERT CORNWELL IN ROME

TEXACO'S oil rationing measures in the UK have been introduced here as a warning of the need to act swiftly to curb Italy's oil products consumption. Italy is perhaps more dependent on imported energy than any other country in Western Europe.

General Mining Group

Table with financial data for General Mining Group, including Coal Mining Companies' Reports for the Quarter ended 31 March 1979. Columns include Tons sold, Group Income, Net Income, Deduct: Taxation, and Capital Expenditure. Rows are for Trans-Natal Coal Corporation Limited and The Clydesdale (Transvaal) Collieries Limited.



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Mr. Mogens Glistrup (above), leader of the Danish People's Progress Party, has been criticised for speaking at a May Day demonstration organised by a weekly newspaper widely regarded as betraying National Socialist sympathies, writes Hilary Barnes in Copenhagen.

General Mining Group

Table with financial data for General Mining Group, including Coal Mining Companies' Reports for the Quarter ended 31 March 1979. Columns include Tons sold, Group Income, Net Income, Deduct: Taxation, and Capital Expenditure. Rows are for Trans-Natal Coal Corporation Limited and The Clydesdale (Transvaal) Collieries Limited.

Handwritten note: "J.P. 11.01.50"

Paul Betts, in Rome, on the opening of the Italian general election campaign

Parties already looking for compromise

ALTHOUGH the campaign for the Italian general election on June 3 and 4 only officially opens at the end of this week, the country's political parties are already concentrating their energies on seeking an eventual compromise formula for the next government.

This may seem premature, but it is one of those peculiarities of Italy's complex and ingenious electoral system that whatever the outcome of the election, the next government is bound to be either a coalition or a minority administration enjoying the external support of other parties in parliament.

The main issue this time round, is whether the Communist Party, Italy's second largest political force after the Christian Democrats, should be directly represented in the next government. During the last few days, Sig. Enrico Berlinguer, the Communist Secretary General, has renewed his party's demands for Communist Cabinet ministers asserting that Italy was ungovernable without the direct participation of the Communists in government. These demands were at the basis of the collapse of the last minority Christian Democrat government of Sig. Giulio Andreotti.

The Christian Democrats have flatly rejected any eventual alliance that would let the Communists into the Cabinet. After a troubled national council meeting, the ruling party has indicated that they intend pursuing their current policy of collaboration with the Communists short of their direct entry in government. At the same time, the ruling party sent unambiguous signals to the smaller Socialist, Social Democrat and Republican parties that they were clearly willing to consider a wide range of other governing formulae which would keep the Communists out of the Cabinet. This could even include a government led by a non-Christian Democrat prime minister.

According to the latest opinion polls, the Christian Democrats are expected to gain some electoral support while

the Communists are likely to lose some votes. But the effective balance of forces is unlikely to change radically. Even in the improbable event of it doing so, it would still be necessary to find a governing coalition of sorts.

The need always to seek some form of compromise between the main parties is the direct result of Italy's parliamentary election system based on proportional representation, which in turn encourages the proliferation of political parties.

During the past few days, this proportional representation system has been at the centre of a fierce controversy between the country's two main parties, Sig. Flaminio Piccoli, the Christian Democrat chairman, has suggested a reform of the system to enable Italy to have a more stable and lasting form of government in the future. In turn, Sig. Berlinguer has accused the Christian Democrat leader of attempting to modify current electoral legislation for its own benefit. Sig. Berlinguer said in an editorial in the Communist newspaper, L'Unita, that the real issue was not existing legislation but the participation of his party in the government.

Broadly speaking, the mechanism works as follows. In the election for the Chamber of Deputies (or lower house), some 40.8m Italians over 18 years of age will vote to elect 630 deputies in 32 constituencies by a system of combining proportional and preference voting. On the ballot sheet, the voter can select the party he wishes, and express a preference for up to four candidates of the party he has chosen.

To this end, the various parties have to submit lists of candidates for the various constituencies by May 2. Indeed, there is competition to be first as this is the top left-hand corner of the ballot paper, which is thought to be an asset

and one for the Senate if they are over 40 (Senators must be over 40 years of age, while deputies must be over 25). However, after the election, a candidate if elected in more than one constituency may only select one of them. This clearly leads to all sorts of internal party manoeuvres.

As regards preference voting, most voters do not in fact use, or partly use, their option to select candidates of their choice. Less than 20 per cent of the possible preference votes are usually cast in northern Italy and about 45 per cent in the south.

The largest proportion of preference votes is cast for the Christian Democrats, partly because of the wide spectrum of political opinions represented by the party and partly because the Christian Democrats have been the mainstay of all governments since the war.

In consequence, if the majority of the preference votes goes to the Right-wing members

of the Communists after the June elections.

The election system for the Senate is different. There are no party lists nor preference votes. Each party puts up one candidate for each constituency and the 315 seats are distributed on the basis of a highly complicated proportional representation system. At the same time there are a number of life senators whose seats are automatically renewed.

As there is a difference in voting age for the Senate, where the limit is 25 instead of 18, the composition of the upper house tends to be more conservative than the Chamber of Deputies since younger voters tend to support the Left. And as the Senate, while effectively carrying less political weight than the Chamber of Deputies, can nonetheless block or delay crucial legislation, it represents a major component in the eventual creation of a governing coalition.

Against this peculiar Italian background, all the parties are now already campaigning to strengthen their respective electoral positions to enhance their eventual negotiating power when it comes to formulating a new governing alliance. The Communists, characteristically, are campaigning with the slogan "reduce the Christian Democrats' votes," while the ruling party's slogan is "more votes for the Christian Democrats".

In any case, the real hard bargaining will start after the general election when the various parties attempt to form a new government, which on past form can take as long as two months, will begin. In the process, the elections for the European Parliament on June 10, barely a week after the Italian general elections, are bound to fade in the background, despite all the rhetoric about Europe which the Italian political parties are currently throwing around.



Communist leader Sig. Enrico Berlinguer (left) and Christian Democrat Giulio Andreotti.

Last minute debate on candidates

By Our Rome Staff

THE ITALIAN political parties have completed their nominations of candidates for the general election on June 3 and 4 and for the European elections a week later. The deadline expired last night.

Last to make their list public were the Christian Democrats, who only completed the exercise yesterday after several days of almost uninterrupted bargaining between the party's factions.

The list shows little change from that with which they fought the last general election in 1978.

The most notable absentee, Sig. Umberto Agnelli, deputy chairman and chief executive of Fiat, who was a Senator in the last Parliament.

With the exception of five top party figures—including Sig. Benigno Zaccagnini, party secretary, and Sig. Emilio Colombo, president of the outgoing European Parliament and former Prime Minister—the Christian Democrats have banned the dual mandate. Those elected to both national and European parliaments will have to choose within a fortnight in which assembly they wish to serve.

A more substantial turnover is evident in the Communist (PCI) lists, which also includes a considerably higher proportion of women. The PCI has also left more room to left-wing independents, who include Sig. Altiero Spina, former EEC Commissioner, and the prominent economist Sig. Luigi Spaventa.

The challenge the Communists face from other left-wing parties has been underlined by the defection of one of their outgoing deputies to the tiny, but buoyant, Radical Party.

The Radicals have also attracted the candidacy of Sig. Leonardo Sciascia, the internationally known writer.

Suarez considers restoring limited Basque self-rule

BY DAVID GARDNER IN MADRID

THE SPANISH Government appears poised to launch a new initiative in the Basque country, where two Civil Guards were shot dead yesterday, bringing to 31 the number of killings this year by ETA separatist guerrillas.

Senior Basque members of the governing Union de Centro Democráticos (UCD) are studying the viability of restoring the 1936 Republican statute of autonomy, under which the Basques enjoyed substantial home rule until the entry of General Franco's troops into Bilbao in 1937.

Sr. Marcelino Oreja, the Foreign Minister who was elected for neighbouring Guipuzcoa in the March general election, reportedly has a team of experts working on the legal and political aspects of the move.

The first solid indication that the move was being taken seriously came two weeks ago from a leading Basque financier, who said that Sr. Antonio Fontan, the Minister for Territorial Administration, was studying the 1936 statute as a bridge towards the so-called "Statute of Guernica," drawn up by Basque parliamentarians last year.

Sr. Fontan disclaims all knowledge of the move. But it is clear that, while the Government is not yet prepared to commit itself officially to the project, it is first working through the party in order to test the plan's political viability, as it did on the issue of the western Sahara, for example.

The main-stream Basque party, the Partido Nacionalista Vasco (PNV), is broadly in favour of the plan, especially as it would entail immediate powers leading to the setting up of an autonomous police force and the creation of an independent Basque Treasury.

The PNV's position as the traditional standard-bearer of Basque national rights would be reinforced, particularly with the prospect of Sr. Jesus Maria de Leizaola, president of the Basque government-in-exile, returning to head a provisional administration.

Reinforcement of the PNV's position is regarded as crucial by members of the Government and Basque businessmen, in the face of the seemingly unstoppable rise of the Herri Batasuna (Popular Unity) Coalition backed by ETA. This party came second in last month's municipal elections.

Since then, the PNV has eathered around itself business and financial interests which had previously backed either the UCD or the neo-Francoist parties grouped around Sr. Luis Olarra, the Basque industrialist.

The Socialists have yet to take an official position, but suspect that the project is destined to postpone approval of the more far-reaching Statute of Guernica.

Herri Batasuna, meanwhile, rejects any solution which leaves out the disputed Basque province of Navarre. The 1936 statute covered only Vizcaya, Guipuzcoa and Alava.

Though the project may never get off the ground, this is the first time that Prime Minister Adolfo Suarez has approached reform starting from Republican, rather than Francoist, laws. It also indicates that he has finally come to regard the Basque question as the most serious facing his government.

Belgrade may dampen economy

BY ALEXANDER LEBL IN BELGRADE

AS RECONSTRUCTION work gets under way in the earthquake affected zone of Montenegro in southern Yugoslavia, there are signs that the federal Government may be obliged to tighten control of the economy, both to help finance Montenegro's rehabilitation and to dampen down a badly overheated economy.

The Government has just put up the price of fish octane petrol by 15 per cent and added 11 per cent to cheaper grades. It has also introduced lower speed limits on roads and regulations obliging motorists not to use their cars for six days every month. This is part of an effort to reduce petrol consumption and follows closely measures taken earlier in the month tightening higher purchase terms and increasing deposits on cars.

The latest petrol price increases follow a 25 per cent rise in November. Tourists, however, will be allowed a 20 per cent discount.

With official tourist receipts in excess of \$1bn last year, the authorities are doing their best to persuade holidaymakers not to change their plans about visiting Yugoslavia this year.

They emphasise that while tourism will obviously suffer in Montenegro, several of the newer resorts, like the island of Sveti Stefan, have not been badly affected and damage to Dubrovnik has been fairly light.

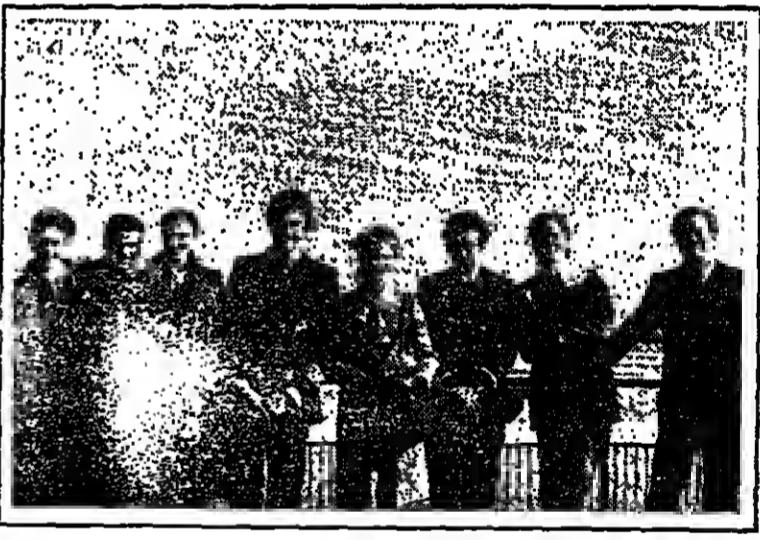
Tourism and other invisible receipts will be particularly important this year as the visible trade deficit appears to be rising, with a high rate of industrial production sucking in imports and feeding strong inflationary pressures. Retail price inflation over the first quarter was running at an annual rate of 26 per cent.

Over the first quarter, exports stagnated at \$1.4bn, while imports rose to \$3bn, a trend which, if unchecked, could result in an annual deficit of \$6.4bn. This compares with the 1978 deficit of \$4.3bn, all but \$500m of which was covered by invisible earnings.

President Tito and other political leaders have voiced increasing concern that high inflation, unemployment of around 750,000, and signs of declining competitiveness could put heavy strains on Yugoslavia's self-management system and its ability to retain a strongly independent foreign policy.

Falling greater restraint by the self-managing enterprises, the Federal Government could well decide to impose tighter controls on bank lending, prices and imports, as well as continuing the downward float of the dinar.

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Schmidt on visit to Bulgaria

By Leslie Collett in Berlin

CHANCELLOR Helmut Schmidt, of West Germany, has become the first major Western leader to visit Bulgaria, regarded as Moscow's closest ally, although it fought on the German side in both world wars.

Bulgaria was one of the first East European countries to show an interest in improving relations with Bonn, even before the Soviet Union gave the signal to proceed. Its motives were mainly economic, but it was not until late in 1973 that Sofia was able to establish diplomatic relations with West Germany.

Economic issues top the agenda in talks which Chancellor Schmidt is having with President Todor Zhivkov. West Germany is Bulgaria's leading Western trade partner, but it had a deficit last year of DM393m (£100m), in its DM1,039bn trade with West Germany. This is only partly made up by the more than 100,000 West Germans who spend their holidays each year at Bulgarian Black Sea resorts.

A reduction of the trade deficit is an important Bulgarian aim, as the country's ratio of hard currency debts to its annual exports to the West has been put at 5.6 to 1—one of the worst in Comecon.

Bulgaria, as East Europe's largest producer of fork-lift trucks and with an expanding electronics industry, wants to increase the number of co-operation agreements with West German companies. It would also like to take part in joint projects with the West Germans in third countries.

By his visit, Chancellor Schmidt is expressing his gratitude to the Bulgarians for their speedy action last year in extraditing suspected West German terrorists who were arrested at the Black Sea. This contrasted with the refusal of neighbouring Yugoslavia to return four West Germans wanted for terrorism.

Herr Schmidt returns to West Germany tomorrow.

OVERSEAS NEWS

AMERICAN NEWS

Vietnam builds up troops as China talks stall

By K. K. SHARMA IN HANOI

VIETNAM is reinforcing its troops along the border with China in a bid to counter what it considers a renewed threat of attack following the stalemate reached in talks between the two countries.

A number of truckloads of soldiers were moving to the frontier when I visited Lang Son in north-west Vietnam, the strategically important provincial capital captured by Chinese troops during the fighting in February and March. Visitors are not allowed to proceed to the actual border for security reasons but frequent shelling could be heard from that direction.

Lang Son, which is severely battered, is just a couple of kilometres from the "Friendship Gate" bridge; until the recent fighting that was the post for crossing the border. The bridge has now been put out of action and is in the hands of the Chinese, the Vietnamese say.

Apart from the shelling and the hundreds of troops being taken to the border, evidence of the considerable tension on the border was also available in the form of two radar stations put up on high hills by China. The radar overlooks Vietnam, and Hanoi alleges that their sites are one of ten strategic posts still held by the Chinese even though the Chinese claim to have withdrawn to their side of the border.

There is no indication when the talks will be resumed. Mr. Han Nianqong (Han Nao Liang), the Chinese vice-Foreign Minister is still here but this is scant sign of either, though Dr. Kurt Waldheim, the UN Secretary-General has just visited both countries.

In the last round five days ago China made it clear that it feels that the presence of Vietnamese troops in Cambodia and Laos is the central discussion point between the two countries, what it wants is a complete withdrawal of Vietnamese troops especially from Cambodia where China's protégé, Pol Pot, and his beleaguered troops are under heavy pressure following a fresh offensive by Vietnam in a bid to capture complete control of Cambodia before the rains set in.

China has rejected Vietnam's proposal for a demilitarised zone along their border and has said troops should remain in their present positions, thereby putting the border issue into second position to be tackled only after the Cambodia question is settled. Vietnam has rejected the Chinese proposals and Peking is making no effort to relieve the tension on the border.

For its part Peking has raised fresh charges by claiming that more than 10,000 people have fled Vietnam across the border into China in the past week. Peking says most of these are Chinese nationals but there are also some Vietnamese amongst them.

The decision follows an examination by the university's advisory committee on investor responsibility of the policies and towards South Africa followed by all the corporations in which the university has shareholdings.

The Yale decision brought a sharp response from the bank yesterday. Mr. Walter E. Page, its chairman, accused Yale of trivialising a matter of high concern, and of sending a discouraging message to all companies which are trying to conduct their business in the way they judge most constructive socially and economically.

Mr. Page said the bank's policy on loans to South Africa was to make loans likely to contribute to improvement in the country's social policies and to the condition of blacks and other non-whites living there.

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American banks have been divided on the lending policies to South Africa although there is general condemnation of apartheid. Last year Citicorp, the largest New York bank, said that it would not make any further loans to the South African Government.

Over the past two years there has been increasing pressure on U.S. corporations to justify their activities in South Africa, partly because of the support which has been attracted by a Philadelphia priest, the Rev. Leon Sullivan, in a campaign to persuade companies with interests in South Africa to support a code of conduct on race and jobs there.

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Ohira pledge to Carter

BY DAVID BUCHAN IN WASHINGTON



Japanese Prime Minister Masayoshi Ohira... doing his best to shrink Tokyo's trade surplus with the U.S.

PRESIDENT CARTER yesterday welcomed Mr. Masayoshi Ohira on his first visit to the U.S. since he became Japan's Prime Minister last year.

At a White House ceremony, Mr. Ohira said: "I am determined to do my utmost in resolving economic problems."

The Japanese Prime Minister, however, will undoubtedly try to convince key members of the House and Senate Trade and Foreign Relations Committees, who he meets today that his Government is doing its best to shrink its trade surplus with the U.S.

although it is down from last year's \$12bn. chiefly because of the recent appreciation of the Yen against the dollar.

Mr. Ohira, who is also to address Washington's Press Club today, has so far resisted U.S. demands that Japan should open more state contracts to bidding by U.S. and other foreign companies, if he wants similar access to U.S. government contracts.

High on the U.S.-Japanese agenda will be a preview of the seven-nation economic summit meeting next month in Tokyo. In this context, Japan has welcomed President Carter's decision to phase out domestic oil price controls as fulfilment of the U.S. President's pledge to last year's Bonn summit to encourage U.S. oil production and thus reduce pressure on world oil supply and prices, which seriously affects major oil-importing countries like Japan.

Mr. Carter and Mr. Ohira seem certain to share concern about the activities of Vietnam and its Soviet allies in Indo-China. They are watching closely to see whether increasing Soviet naval operations in the area result in a permanent Soviet naval base at Cam Ranh Bay.

The U.S. has noted with approval Japan's increased aid this year to Thailand, and its plans to increase aid to the other four pro-Western members of the Association of South-East Asian Nations (ASEAN).

Japan said last month it would take some 500 Vietnamese refugees—considered by U.S. officials something of a major policy change by Japan, which has sought to shelter its society from immigrants. Neither Washington nor Tokyo yet sees an expanded regional security role for Japan as desirable. But the U.S. has been encouraging Japan to do more in its own defence.

What Idi Amin cost Uganda

By John Worrall, recently in Kampala

TALKING to key ministers nervously establishing themselves in Kampala one realises how great are the difficulties that Idi Amin has left behind. Many government offices were looted of furniture and files in the frenzy of liberation and some ministers are working in bedrooms at the Nile Mansions Hotel, where Amin kept his VIP visitors and mistresses.

Uganda has become a country without a bureaucracy. Thousands of files were looted and vital records and statistics are missing. A house-to-house search is going on to recover some of them. There is intense competition to find adequate staff until the 50,000 refugees to exile come back.

Among the better housed ministries is the Ministry of Finance, in the former East African community building. But even there visitors have to search for chairs.

State of collapse

Mr. Sam Sehagereka, the bright young Oxford-educated Finance and Planning Minister, told me: "When we took over it all seemed so appalling. Our foreign exchange reserves stood at about \$2m. Inflation was running at an annual rate of between 150 to 200 per cent. The key agro-industries, coffee, tea, cotton, sugar, were in a state of collapse."

"There was hardly any fuel. Shops, warehouses were empty of commodities. The copper mines had closed. Roads were broken, bridges knocked down, schools, institutions, Government buildings had been destroyed. Skilled manpower was lacking. We cannot even guess the extent of the ruin and what we need to put it right. The bill will be astronomical. I should think we will need not less than \$2bn in aid."

The flourishing black market is proof of the problems facing the currency. Dealers are offering 800 Uganda shillings to 100 Kenya shillings. One of the first tasks is to cut down the money supply, running at about 8bn shillings. "Amin printed money whenever he felt like it," I was told.

Phones and teleaxes are down. Communications with the outside world are difficult. I cannot even phone the World Bank. Mr. Sehagereka said: "But he is optimistic. All things being equal we think we can take off in about a year."

The immediate essentials are: relief to save human lives—fuel, food and medicines; a general rehabilitation of shops, stores, the transport system, human settlements and schools; getting the factories back to work, producing consumer goods to sustain life, and getting the agro-industries working; repair of roads and bridges, getting railways and lake services running; and reviving heavier industries like the copper mines and cement works.

Aid and offers of aid are pouring in. Britain was first off the mark with a \$2m advance in emergency aid. Britain is also sending technicians to try to get Government transport back on the road, hospital machinery going, and the telecommunications system working. The Government mechanical workshops were looted and I was told there is not a spanner left.

Tankers moving

More substantial British aid will follow as the Uganda Government decides on longer-term plans for development. Kenya has given \$2.6m for immediate emergency aid. The EEC is making \$100m available for rehabilitation, and providing \$400,000 in food and medical aid.

Fuel tankers, lorries and private cars, some loaded with emergency relief, were moving from Kenya to Kampala after yesterday's border opening. One vital task is to get the coffee marketing system working again. There is an estimated 300,000 tons of coffee and it needs to be country and as possible, exported as soon as possible. Thousands of Ugandans uprooted by the fighting have to be resettled. Whole villages were destroyed in the fighting and two western towns, Mbarara and Masalwa were badly damaged. A big part of the new Government's job will be the rehabilitation of the people's minds. "Some of our people were turned into animals by Amin," one Minister confessed.

'Sadat is a liar,' Saudis say

BY ROGER MATTHEWS IN CAIRO

AN uncharacteristically vicious Saudi response to President Anwar Sadat's latest attack on the kingdom has deepened co-operation among officials here.

They fear it may not only escalate Egypt's conflict with the rest of the Arab world over the peace treaty with Israel, but also threaten relations with non-Arab Islamic countries. The state-controlled Riyadh radio declared yesterday: "Sadat is a liar." It added that "he often lies about the dead," with reference to Mr. Sadat's allegation that the late King Faisal had advised him before the 1973 Middle East war not to trust President Hafez al-Assad of Syria.

At the same time, the Palestine Liberation Organisation (PLO) has pledged to undermine Mr. Sadat's negotiations with Israel over autonomy for the West Bank and the Gaza Strip. Saudi Arabia and the PLO were reacting to Mr. Sadat's May Day speech, in which he accused Saudi Arabia of "paying other Arab

countries to break off diplomatic relations with Egypt." He charged the Saudi leaders with abandoning the "special relationship" with Egypt, which, he said, was chartered by the late King Faisal.

A determined attempt is now being made to have Egypt ejected from the 43-nation Islamic Conference when it meets at Foreign Minister-level in Morocco next week.

Mr. Hosni Mubarak, the Vice-President, is now touring Asia to win support for the peace treaty from members of the Islamic Conference, while Mr. Mamdouh Salem, the former Prime Minister, has been attempting to do the same in Africa.

Mr. Sadat appears, however, to have thrown caution to the winds in his determination to press ahead with the peace treaty. He promised the Israelis that for every step they took towards normalising relations he would take two.

He said Saudi leadership was not living up to the late King Faisal's legacy, and taunted them by accusing them of having fallen under the influence of Libya, the Soviet Union and Iraq.

Mr. Sadat went so far as to say he did not care if Saudi Arabia failed to honour its commitment to pay \$525m for 50 F-16 jet fighters.

Egyptian nationalism is certain to be a prominent theme in the run-up to Egypt's general elections next month. Mr. Sadat's National Democratic Party is sure of a massive victory. The left-wing Unionist Progressive Party has received another warning about its activities.

Mr. Tine Hab, China's Ambassador to Kuwait, was reported yesterday to have said that Peking wanted diplomatic relations with Saudi Arabia.

The kingdom has close relations with Taiwan. Saudi officials have hitherto made it clear privately that they have no intention of exchanging ambassadors with the People's Republic of China.

Mr. Botha said he accepted that the principle of statutory job reservation be abandoned, and the "protection of workers to their employment" should be conducted by new and internationally accepted methods.

He also agreed to set up an industrial court, to handle industrial litigation, a national manpower commission to advise and recommend on implementation of the new system, and a change in the name of the Department of Labour to Department of Manpower Development. Legislation to implement this would be introduced within two weeks, after consultation with the trade unions.

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Yale protest over South Africa

BY STEWART FLEMING IN NEW YORK

YALE UNIVERSITY is selling a \$1.6m shareholding in J. P. Morgan, the leading U.S. commercial bank, because of the bank's policy on lending to South Africa.

The decision follows an examination by the university's advisory committee on investor responsibility of the policies and towards South Africa followed by all the corporations in which the university has shareholdings.

The Yale decision brought a sharp response from the bank yesterday. Mr. Walter E. Page, its chairman, accused Yale of trivialising a matter of high concern, and of sending a discouraging message to all companies which are trying to conduct their business in the way they judge most constructive socially and economically.

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Swiss investor causes concern

BY STEWART FLEMING IN NEW YORK

A DECISION by Mr. Bruce Rappaport, the Geneva-based shipowner, to take a 9.8 per cent stake in one of Long Island's larger commercial banks, Litco, is causing concern to some of the bank's shareholders.

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Venezuelan lion looks more like a lamb

By Kim Foad in Caracas

PRESIDENT Luis Herrera Campesino of Venezuela came into office in March like a lion, roaring in his inaugural address that the outgoing Administration had mortgaged the country. Since then, however, he has become more like a lamb, thoroughly disconcerting a country accustomed to the break-neck pace of Sr. Carlos Andres Perez, his predecessor.

In a deliberate departure from the frenzied governing style of Sr. Perez, who issued decrees at the rate of two a day during his first 100 days in office, Sr. Herrera has been moving with feet of lead in implementing promised economic and social policies to deal with what he described as the "serious economic troubles" of the country.

Sr. Herrera, 53, points out, however, that voters chose him because he offered to bring a more sedate style to the Presidency. He claims that Sr. Perez's Social Democratic regime has left the nation's economy in such a disarray that careful assessment is required before taking action.

Free spending

The new Christian Democrat Government's complaints about the Perez Administration have focused on its free-spending ways. Despite unparalleled oil revenues which gave Sr. Perez around \$10,000m annually during his five-year term, public debt rose to \$11,700m, two-thirds of which is foreign.

The Herrera Government claims that there is also a floating debt of an additional \$4,800m, with spending on imports, including limited oil exports, Venezuela's balance of payments went into deficit by \$3,000m last year.

"We are going to have to continue running into debt abroad to put the executive's debt in order," says Sr. Luis Ugueto, the Finance Minister. "There is no doubt that in the first year we will not be able to level off public spending and avoid going out into international markets to seek funds."

Oil revenue

Venezuela has increased the price of its oil by 18 per cent and expects to increase its oil revenue of around \$5,000m by over \$1,600m. Nonetheless, Government economic advisers have recommended keeping strict controls of fiscal and monetary policies over the next two years.

The Government is now drafting a "new global economic policy." According to Sr. Manuel Quijada, the Development Minister, this new policy is awaited avidly by Venezuelan industrialists, who claim that controls on prices have hurt a number of manufacturing industries to the brink of closure.

Sr. Luis Enrique Ojeda, the former finance minister, a key drafter of the ruling "Copei" party's economic programme, says that if prices of goods and services produced in Venezuela are allowed to follow the market, there will be a major increase in the cost of living.

Direct subsidies

What must be done, he says, is to ensure that the poor, who make up about a quarter of Venezuela's 13m population, do not suffer. This could mean direct subsidies, such as food coupons. The Perez Administration reported that the cost of living grew by 7.8 per cent last year, but double that rate.

The new Administration's caution in drafting economic policies which could hurt the poor reflects Sr. Herrera's campaign promise that his commitment is to the poor. The portly, white-haired chief of state has driven this home by holding televised public audiences. Each week at Miraflores Palace, rejecting charges by opposition parties that Sr. Herrera is trying to make political gains through populism, spokesman for his party say that this is unfair and precipitate. "You can't call a President a populist just because he gives the poor a chance to be heard," they say.

Pretoria wary on labour changes

BY QUENTIN PEEL IN CAPE TOWN

MIGRANT WORKERS—almost one in three of South Africa's black labour force—are to be excluded from the new deal planned for industrial relations in the country, Mr. S. P. Botha, the Minister of Labour, announced yesterday.

Although the Government accepts the general principles of a statutory industrial relations framework for all workers, as proposed by the Wiehahn Commission on Labour Laws, Mr. Botha has set clear limits on the extent to which it is prepared to move to implement it immediately.

He announced that legislation would be introduced to bring black trades unions within the system of registration, and to scrap the principle of statutory racial job reservation—but no action to scrap separate facilities in shops and factories, and no action to open apprenticeships to black workers. Mr. Botha also endorsed the Commission recommendation not to outlaw the closed shop, which is used by white trade unions as the most widespread form of job discrimination in industry.

In spite of the cautious approach of the Commission and even more by the Government, to reform the existing discriminatory system, Mr. Botha said the Government had "launched a new dispensation in the labour history of South Africa."

The retention of the closed shop, the exclusion of migrant workers, as well as the mining industry, agriculture and domestic service from the proposed changes, are major limitations on the effect of the new system, which is planned to end the legal enforcement of racial discrimination.

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Argentina confiscates newspaper

BY ROBERT LINDLEY IN BUENOS AIRES

THE so-called National Committee for the Recovery of the Argentine Republic has ruled that La Opinion, the Argentine newspaper founded by Sr. Jacobo Timerman and edited under Government supervision since his arrest on suspicion of having been involved in the "Graver case," is now the property of the state.

Also taken away from Sr. Timerman and handed over to the state, on the grounds that the journalist cannot account for the manner in which he acquired them, are his 45 per cent share in the printing plant which published La Opinion, his holding in another printing shop and one of his two homes. He has been allowed to keep his 1975 Peugeot car and another small printing shop.

Political leaders around the Ayatollah—Dr. Yazdi, Mr. Ghotbzadeh, and the economist, Mr. Ahmad Bani Sadr—are radical and fervently Islamic.

They do not have the scruples over the execution of former officials (now at least 160) which Dr. Bazargan is known to have. They seek a more complete change in the system, more purges, more economic upheaval, and more social control.

The vanguard of the Left is still the Fedeyene-Khalq guerrilla group. Their headquarters in central Tehran has sand-bags on the roof, and outside intense young people huddle in discussion groups.

For the moment, they seem content to distribute pamphlets, but not to speak out too loudly. The "objective conditions" for a seizure of power are not right.

The other main guerrilla group, the Islamic Mujahedin, are similarly cautious of commenting on immediate political events.

from federal police headquarters to house arrest in the that he is being allowed to keep, just over a year ago. Although the ruling of the National Committee for the Recovery of the Argentine Republic can be appealed against it is considered to be definitive.

The committee was set up by the Videla regime to deal with those accused in the Graver case. Mr. David Graiver, a financier, who was supposedly killed in an aeroplane crash in Mexico, was the head of a friends and family concern charged with banking money belonging to the Montonero guerrillas. This money was said to have been amassed by robbery, extortion and kidnapping.

Mr. Rappaport's business attracted public attention in 1976 and 1977 because of extensive shipping contracts, which he negotiated with Pertamina, Indonesia's state-owned oil company.

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originally charged with subversive, as well as economic delinquency, was absolved but ordered to stay under arrest.

Sr. Timerman, who is 56, lives alone under house arrest. His three sons and his wife are in Israel.

Hugh O'Shanhnessy adds: Sr. Jose Alfredo Martinez de Hoz, the Argentinean Economy Minister, yesterday said that Sr. Timerman would soon be set free. He was speaking in London at the Royal Institute of International Affairs.

His meeting was picketed by demonstrators from Amnesty International, protesting against the violation of human rights in Argentina. Today Sr. Martinez de Hoz speaks at a seminar on Argentina arranged by the Hispanic Council (Canning House).

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Simon Henderson describes the dangers facing the Islamic Republic

Terror overshadows Iran's way ahead

THE ASSASSINATION of Ayatollah Morteza Motahari, one of Tehran's top religious figures—and the threat of more political murders—once again casts doubts on the political stability of the new Islamic Republic of Iran.

Yesterday, a man claiming to represent the Forghan terrorist organisation which shot the Ayatollah, telephoned Western journalists to claim responsibility.

The killing was the first step in the consolidation of the group's ideals, he said. Four senior government officials would be the next target.

He named them as Dr. Ibrahim Yazdi, Foreign Minister; Mr. Sadeq Choghazadeh, head of radio and television; Mr. Mehdi Hagazi, Prosecutor-General; and Mr. Abbas Amir-Entezami, deputy Prime Minister.

What is likely is that various groups, particularly the Kurds, will start to look after their own affairs more, especially if a breakdown in government means that distribution of central funds ceases.

The armed forces, weakened by the revolution and desertions, are in no position to intervene. If ordered to do so, they would face a conflict of loyalties, greater even than during the last months of the Shah's regime.

Individual units might follow orders, but their ability to sustain a long operation would be limited.

Apart from the army and guerrilla groups, the other main armed units are the local "Khalas" which support Ayatollah Khomeini. Their equipment ranges from pistols and rifles up to machine guns and anti-aircraft guns. Military arsenals are effectively open to them. They could act quickly to crush any threat to the revolution if the orders came, before social divisions widened too far.

The Government also faces an economic crisis of growing inflation and unemployment. Oil production has resumed, but the economy has still to be restimulated.

Trade restrictions have led to shortages, and the development programme remains static. Being a good Moslem does not seem to have limited consumer values. The religious Establishment means the Left even more than any foreign—especially U.S.—influence.

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Soviet-Comecon trade to rise significantly this year

BY DAVID SATTER IN MOSCOW

THE SOVIET UNION'S trade with East Germany and Czechoslovakia is expected to increase significantly this year. According to recently published 1978 trade protocols, Soviet trade with East Germany, the Soviet Union's largest trading partner, is to reach nearly 8bn roubles (£5.76bn) this year against a turnover of 7.69bn roubles in 1978. Soviet trade with Czechoslovakia is to amount to more than 6.5bn roubles compared with 6.06bn in 1978, and Soviet trade with Romania and Mongolia are also to grow. The pattern reinforces the current trend towards an increasing share of Soviet trade being taken by Comecon. Of the countries for which trade protocols have been published, only Bulgaria is not expected to increase the value of its Soviet trade in 1979. This was to be more than 6.06bn roubles compared with 6.142bn roubles in 1978. The Soviet Union's trade with its Comecon partners, which include the eastern European allies, Mongolia, Vietnam, and Cuba, last year amounted to 39.1bn roubles or 56 per cent of the foreign trade total. The volume of trade with

Comecon in 1978 represented a significant expansion in 1977, the Comecon share of foreign trade was 52 per cent and in 1976, 51 per cent. The Soviets are believed to have made an effort in recent years to channel their purchases of industrial equipment through Comecon to increase economic integration and reduce their hard currency deficit. East Germany is to export to the USSR in 1979 forging and pressing, agricultural, food processing, and printing equipment as well as railway rolling stock, ships, chemicals and instruments.

More oil companies in China sea deal

By Kevin Dons, Energy Correspondent

CHINA HAS engaged three more Western oil companies to undertake preliminary offshore exploration work in the Yellow Sea and the South China Sea. The two leading French oil companies, Compagnie Francaise des Petroles (Total) and Elf-Aquitaine, have signed a contract to carry out a geophysical survey in the Yellow sea off eastern China. The agreement was signed in Peking with the China Oil Company.

Standard Oil of California (Chevron) has recently held negotiations in China, which are expected to lead to a contract for extensive seismic work in the South China Sea later this month. So far a draft agreement has been signed but this should be formalised by the end of May. China is seeking to rapidly build up its production of crude oil as a way of fueling its ambitious programme of economic expansion. Much of the potential for development lies offshore on its vast Continental Shelf.

British Petroleum was one of the first of the international oil companies to gain a contract for seismic work in the Yellow Sea to a deal signed earlier this year. China followed this by signing a second contract with Atlantic Richfield, one of the U.S. oil companies. Exxon, the largest oil company in the U.S., is also expected to sign a contract with China in the next two months to allow it to undertake preliminary seismic work in the South China Sea.

CSR plans NZ pulp mill

By James Forth in Sydney

CSR, the large Australian sugar, minerals and building materials group, is investigating the establishment of a world-scale mechanical pulp mill in New Zealand, and is undertaking a feasibility study which is expected to be completed late next year. Providing the study shows a satisfactory return for New Zealand the venture will go ahead between CSR and H. Bateant and Sons, the largest private forestry company in New Zealand. CSR is to have a 70 per cent interest and Bateant 30 per cent in the venture, estimated to cost about A\$60m (£25m). The project is expected to produce more than 100,000 tonnes of mechanical pulp and 70,000 cubic metres of cut timber annually.

MULTIFIBRE AGREEMENT

U.S., Canada threaten to pull out

BY BRIJ KHINDARIA IN GENEVA

THE U.S. and Canada have threatened to pull out of the controversial Multifibre Agreement (MFA), which governs world trade in textiles and clothing. Third World countries insist on not allowing them to impose import curbs under exceptional circumstances. The threat came in a closed session of the MFA's Textile Surveillance Body (TSB), which was discussing a planned bilateral textiles trade accord between Canada and the Philippines. Under the MFA, as renewed in Geneva in December, 1977, "reasonable departures" from agreement requirements are allowed under exceptional circumstances. This clause was included under severe pressure from the Common Market, which threatened to impose unilateral import curbs on textiles and clothing from some developing countries such as Hong Kong, South Korea, Taiwan and Singapore if it were not allowed to do so legally under the MFA. The original MFA prohibits such import curbs, designed to protect home industries against injury caused by cheap foreign imports. It also obliges all industrialised country members to allow at least a 6 per cent rate of increase in developing country exports to them. The Community argued that it could not accept such a high rate of yearly increase in imports from developing countries because of the threat of factory closures and massive unemployment in the textile industries of its member states. The U.S., which was against any move away from trade liberalisation, reluctantly backed the Community on the condition that it concluded bilateral textile trade deals with the main partners. The MFA is seen as being an international legal framework setting down rules for the contents of separate bilateral textile trade accords. The protocol renewing the MFA and including the reasonable departures clause stated that "one major participant" in the negotiations had said that it might have difficulties in enforcing the original MFA's provisions concerning the rate of increase in developing country imports. Among other things the Textile Surveillance Body has the responsibility of approving the contents of any bilateral textile trade accords reached among countries that have signed the MFA. When the accord between Canada and the Philippines came up for such approval last week, a developing country participant objected to inclusion in the text of a right given to Canada to use the reasonable departures clause to impose import curbs. This clause had been added only to solve problems faced by the Common Market, and it could not be used by other textile importing countries, the delegate argued. Canada then said it would pull out of the MFA if the clause was not interpreted to mean that it may be used by any MFA member to impose curbs. The U.S. backed the Canadian

view. The U.S. insistence on freedom to use the clause, after opposition to it during the 1977 negotiations for MFA renewal, is being seen here as reflecting their fears that textiles kept out of the Community will flood U.S. markets. In return for a commitment by the powerful U.S. textile lobby not to hold up passage in U.S. Congress of a separate trade package negotiated in Geneva at the recent Tokyo Round Talks, President Carter earlier this year promised to ensure that textile manufacturers will not be faced with excessively severe competition from foreign imports. The hard line U.S. stand in the Trade Surveillance Body reflects this pledge to the textile lobby, which earlier threatened to persuade Congress to reject the Tokyo Round package if textiles were not entirely excluded from tariff reductions agreed in it. The package aims at further trade liberalisation following the 1967 Kennedy Round of tariff cut negotiations.

Swedish foreign company fears

BY HILARY BARNES IN COPENHAGEN

DENMARK'S Federation of Industries fears that restrictive legislation on foreign-owned companies being prepared by Sweden will lead to total Government control of the operations of foreign companies in Sweden. It believes this would be in conflict with Sweden's international obligations not to discriminate against foreign companies, and has asked the Danish Ministry of Commerce to convey its point of view to the Swedish Government. The contemplated legislation

was "totally unacceptable" said the Federation, and it could seriously jeopardise the good relations between the Nordic countries. The proposals call for a licensing system for foreign companies, both those already established and new companies. It would give the authorities powers to lay down levels of employment, what products a company could produce, how much should be spent on research and development, and the ability to lay down invest-

ment programmes for companies. The proposals reflect a generally negative attitude and deep mistrust of foreign-owned companies, said the federation, adding that stable political and economic conditions and acceptable legal status were essential for companies investing abroad. It would be deeply unsatisfactory if Danish companies in Sweden were to be subjected to laws which could be used to control their operations in detail and to benefit Swedish competitors, it said.

UK exporters hit by rise of sterling

By Patricia Newby

THE STRENGTH of sterling and the fluctuating exchange rate are adversely affecting UK exports, according to a group of British exporters at a London Chamber of Commerce and Industry seminar yesterday. The seminar, attended by representatives of 45 industrial enterprises and banks, was on sterling and UK exports. A number of manufacturers said exports "across the board" including plastics, chemicals and textiles had been hit by the rise in sterling. Textiles were particularly sensitive and the domestic market had also been affected because of competition by cheaper imports. Professor Brian Griffiths of the banking and finance division of the City University said devaluation might be seductive as a short-term boost to exports. But in the long run inflation would rise because of dearer imports leading to pressure on wages, and rises in the cost of goods using imported materials.

Warning on shipping risks

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

DEVELOPING COUNTRIES should think carefully before setting up national shipping companies because of the high risks and low economic value associated with shipping. This is argued in a report sponsored by the Liberian Government. It is being distributed to delegates to the United Nations Conference on Trade and Development in Manila. The report, the work of an independent U.S. consultant, will be used by the Liberians to head off moves by the conference secretariat to gain support for an attack on the growth of flags of convenience or open registries. The report says that open registries have held down world transport costs by allowing shipowners to use cheaper labour and retain greater operating flexibility. Open registries had resulted in large employment opportuni-

ties for seamen from poor countries, providing not only relatively well-paid work but the chance to learn new skills. Developing countries seeking to maximise employment should look to manufacturing industry rather than shipping, the report says. It estimates that \$1m of investment in bulk shipping produces only 3.4 jobs, against 45 jobs for a similar investment in textile production. Trading restrictions based on national registry would, furthermore, tend to depress the volume of world trade, resulting in a reduction of income for some developing countries. The only countries who would benefit from such restrictions are, the report argues, those with a monopoly product in an inelastic market, such as the oil-exporting countries. *Economic Impact of Open Registry Shipping, Bureau of Maritime Affairs, Ministry of Finance, Monrovia, Liberia.

UNCTAD says pact harms Third World

GENEVA—The Tokyo Round agreements concluded by most of the rich states do little to help poor nations, and only serve to perpetuate a trading system that works more and more against them, say the UN Conference on Trade and Development (UNCTAD). An UNCTAD secretariat report claims that industrialised governments have largely failed to keep formal promises in most of the arrangements worked out among themselves, and at least in one respect Third World countries will lose advantages they already enjoyed before the recent Tokyo Round talks. These are the main conclusions of a preliminary secretariat assessment of the treaty initiated before Easter by 20 advanced states — among them the U.S., Japan and the European Economic Community — two Communist countries and Argentina, all attaching their own reservations. All other developing countries snubbed the treaty on tariff lowering and new trade codes. Accounting for more than two-thirds of the 99 states that negotiated five years ago in Geneva, they will set their stance at the forthcoming UNCTAD meeting in Manila to which the secretariat report is addressed. Founded in 1964, UNCTAD now has 150 member states. The secretariat report criticises the way in which the talks were conducted by the rich states, prompting fears among developing countries that they would be presented with a final

treaty "on a take-it-or-leave-it basis without having fully participated in its negotiation." It said that while the 1973 Tokyo conference, which decided the talks, had set up a steering committee in which all participants were represented, the developing states' request for a rule that no text be accepted unless approved by a committee majority went unheeded. The secretariat report was written before the industrialised states initiated the Tokyo Round package agreements on April 12. Notwithstanding the ceremony, details of the new tariff schedule must still be worked out by the initialers until the end of June, and talks on proposed trade safeguards continue at least until mid-July. The U.S. hopes to have these agreed and in hand in time for approval by its Congress some time this fall. While tariffs and safeguards are still in suspense, the secretariat's report will serve as a basis for discussion, evaluation and recommendation for the third world's reaction to the Tokyo Round treaty at the Manila conference. The report says it is not even clear at this time how the treaty will be formally concluded, and that its application will create legal problems in the context of the still-standing General Agreement on Tariffs and Trade (GATT) that set the existing trading rules. The report, in particular, raises the question whether GATT member states that could not accept a Tokyo Round trade code could still legally claim benefits from the same code under the basic GATT provision that concessions granted to one or more members must be extended to all other GATT states. The report says that some states have argued that GATT members are free to agree with others on a particular interpretation of a GATT rule and apply it to their mutual trade without extending such interpretation to others. AP

Marcos urges more Asia Bank support

BY PHILIP BOWRING IN MANILA

PRESIDENT FERDINAND MARCOS called yesterday for changes in the Asian Development Bank's (ADB) policies to divert more funds to poorer members of the regional bank. Addressing the opening of the ADB's annual meeting in Manila, Mr. Marcos urged simplification, standardisation and liberalisation of lending terms to the less developed. Procurement terms should be adjusted to help developing countries obtain a greater share of project contracts, he said. In addition, Mr. Marcos warned that developing nations were facing a period of "grave difficulty" caused by high oil prices and protectionism.

Mr. Barry Holloway, the chairman of the Board of Governors of the ADB and Finance Minister of Papua-New Guinea, also warned of the consequences of the oil price rise. "Assured supply of energy at reasonable cost" was a critical factor if economic and social development was to be speeded up. He called on the Bank to provide more financial and technical effort into development of renewable energy programmes, and the dissemination of information about energy saving and renewable energy sources. Mr. Holloway said that the state of world trade would be of crucial importance to the ability of the more advanced developing nations to grow rapidly. However, the poorest countries would need "growing amounts of development assistance." He noted that official aid flows, in real terms, were declining. The ADB itself last year increased its new loan commitments from its conventional lending arm, the Asian Development Fund, by 40 per cent to \$381m (£185m). Disbursements from ordinary resources rose 27 per cent to \$178m. However, the rate of disbursement was less satisfactory, rising by only \$23m to \$295m.

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IDA Ireland also has offices in Dublin, Amsterdam, Paris, Cologne, Stuttgart, Milan, Copenhagen, Madrid, New York, Chicago, Los Angeles, Houston, Toronto, Sydney and Tokyo.

UK NEWS

Laker asks for lifting of Skytrain restrictions

By Michael Donne, Aerospace Correspondent. SIR FREDDIE LAKER, chairman of Laker Airways, is seeking the removal of all licensing restrictions on his Skytrain...

New Ninian output promises big flow

BY KEVIN DONE, ENERGY CORRESPONDENT

THE FLOW of crude oil from the North Sea should rise substantially this month with the start of production from the central platform of the Ninian Field...



Oil began to flow earlier this week from two wells on the platform at a combined rate of 77,000 barrels a day, pushing production from the whole field to nearly 175,000 b/d.

When the giant concrete central platform weighing more than 600,000 tonnes, was moved out to the field last year, it was billed as the largest object ever moved by man.

Grundy may sell stake if NEB appeal fails

By John Elliott, Industrial Editor

GRUNDY (Teddington) wants to sell its stake in a National Enterprise Board subsidiary if it does not succeed in stopping the NEB going ahead with an Anglo-American computer peripherals project.

The deal involves Data Recording Instrument, an NEB subsidiary in which Grundy is a minority shareholder, and Control Data Corporation of the U.S.

Sasse syndicates probe given Lloyd's go-ahead

BY JOHN MOORE

THE COMMITTEE of Lloyd's of London has accepted the opinion of Mr. Stephen Merrett, the managing agent of the stricken Sasse underwriting syndicate, that a thorough investigation is required into other underwriting syndicates formerly managed by Mr. Frederick Sasse.

Other Sasse syndicates likely to be examined by Mr. Merrett's auditors, Baker Sutton, are syndicates 562, 759 and 891.

The committee of Lloyd's is to be responsible for arranging collateral for the members and for interest payments up to December 31, 1979.

To take advantage of the £7m loan facility that has been arranged by Lloyd's with the National Westminster Bank, the syndicate need not lodge free assets with the bank as collateral.

is to stay on a manager of the syndicate. In effect, the Lloyd's committee has met most of Mr. Merrett's demands in an effort to keep him on as manager.

Mr. Merrett took over management of the syndicate in May last year at the request of Lloyd's. Merrett Dixey has also worked out a scheme whereby his company will be able to act unilaterally on behalf of the syndicate.

British merchant marine worse off than world fleet in March

BY LYNTON MCLAIN

BRITAIN'S merchant marine continued to have a higher proportion of its fleet idle in March than the average for the world's shipping nations.

At the end of the month Britain had 7 per cent of its merchant tonnage idle, the same proportion as in February.

Well over half of the ships — 322 vessels — were dry cargo carriers, but the greatest tonnage idle was in the tanker sector, where 189 tankers accounted for 21.3m dwt of the idle fleet.

The idle dry cargo ships represented 2 per cent of the world fleet in this category, the same proportion of the British dry cargo fleet idle at the end of March.

Other European countries were worse off than Britain in the number of ships idle, with Norway severely affected by the slump in world shipping.

West Germany's idle ships were almost entirely from the tanker sector, where 17 per cent of vessels were without work. This represented 3 per cent of the country's total fleet.

Oppressed

Mr. Richard Reynolds, Grundy's managing director, also accused the NEB of not being willing to talk about ways of compensating his company for the way it was being 'oppressed as minority shareholder.'

In the court yesterday, Grundy appealed against a High Court refusal last week of an injunction stopping the deal. It was an Appeal Court hearing, but took place in the House of Lords before Lord Diplock and Lord Salmon.

Counsel for Grundy said that the deal would be 'disastrous' for the interests of minority shareholders.

The company set up by Data Recording and Control Data to run the joint venture was likely to lose £2.5m in its first two years.

Building societies 'can rely on savings'

BY MICHAEL CASSELL

BUILDING societies should be able to rely predominantly on traditional sources of finance to meet mortgage demand in the 1980s, according to Mr. Leonard Williams, chief general manager of the Nationwide Building Society.

Some societies have suggested that without fundamental changes to the interest rate structure, the movement would be in danger of falling to meet projected mortgage demand.

With the rate of withdrawals rising and the number of investors required to finance each loan also increasing, calls have been made for a reorganisation to widen the present interest rate differential for savers and investors so as to compensate them according to the size of their accounts.

There have also been suggestions that societies will in any case have to consider operating beyond the personal savings market if enough funds are to be found to meet the £20bn mortgage demand forecast for the mid-1980s.

the next decade by continuing to take about one third of the personal savings sector. This would depend on their ability to keep their rates competitive.

According to Mr. Williams, societies were not offering a banking service to savers and were unlikely to compete with the banks in this area.

The average ordinary share account in his society, Mr. Williams emphasises, was about five investment and withdrawal transactions a year.

Terms shares are also making a major contribution to the societies' inflow and stability of funds, now accounting for more than 10 per cent of all investment balances.

Bid to ease purchases in France

By Andrew Taylor

PROPERTY in France may find a little easier as a result of moves, announced yesterday, to establish formal links between British and French estate agents.

The National Network of Estate Agents — a voluntary group of about 150 agents and chartered surveyors — has been approached by its French counterpart, Les Agences Francaises, to see if links can be established.

The network, with around 630 offices throughout the UK, was established principally to ease house purchases by people seeking to move from one area of the country to another.

Mr. Phillip Sawyer, a partner of agents Banks and Silvers and a member of the network's management committee, says: "The French feel that the amount of buying and selling of residential, holiday, commercial and agricultural property between residents of both countries is increasing and will continue to do so."

"I am personally in favour of links being established and will be putting this view to other members of the National Network. Also, Les Agences Francaises is expected to send representatives to our next annual conference, to be held in November."

BL plays the Mighty Mini name-game

THE SHORT-listed names for BL's new car to be launched next year are: Mini Maestro; Mini Metro; and Mini Match.

So far the car has been described by its code number, LCR, or simply as the Mighty Mini because it will be bigger than the model it replaces.

The three names were given yesterday to 40,000 employees in BL's Austin Morris subsidiary, so they can vote for the one they prefer.

The names were selected from 3,000 suggestions compiled by Austin Morris's legal and marketing staff who were looking for international acceptability and availability.

London chess victory

THE 43rd annual match between the London and Amsterdam Stock Exchange chess clubs, was won by London with a score of 11 to 5 points.

Mr. F. Farr (R. Nivison and Co.) and Mr. S. J. Castello (Penney Castello Carlebach) gained maximum points. The match captains were Mr. L. D. Beahm and Mr. J. Brink.

Pitfalls block Cuban trips

PLANS to give Yorkshire miners cut-price holidays in Cuba have been shelved. The trips were planned after Mr. Arthur Scargill, the Yorkshire miners' president, met the Cuban leader Fidel Castro while guest-of-honour at a Cuban youth festival.

Mr. Scargill had hoped to take about 300 miners and their families on the £239-a-head trip, but the holidays were cancelled after problems over the cost of air tickets.

Interest rates fall forecast by brokers

BY DAVID FREUD

INTEREST RATES should fall over the next year and a half, according to City stockbrokers Capel-Cure Myers.

In its latest circular the firm forecasts that Minimum Lending Rate will fall from 12 per cent to 9 per cent by the end of the year, with a further fall to 8 per cent by the end of 1980.

The economy is expected to slow sharply over the next 18 months or so, and the strength of sterling means an improvement in the prospects for reducing inflation. These two factors are expected to bring down interest rates.

political parties have said they want to limit this year's Public Sector Borrowing Requirement to £5.5bn or below. However, the underlying trend suggests a much higher figure of between £6.5bn and £10bn on unchanged policies.

"While it is possible to keep the PSBR within the desired target level by the strict enforcement of controls and the sale of financial assets, there is unlikely to be any additional scope for direct tax cuts without compensating increases elsewhere."

For this reason Capel-Cure Myers believes the tenor of the first financial statement by a new government is more likely to be on redirecting rather than reducing the tax burden.

Barclays sued by trust fund for £500,000 loss

BARCLAYS BANK Trustee Company was sued in the High Court yesterday over a £500,000 loss suffered by a trust fund of which it was trustee as a result of a "disastrous" speculative development project.

The claim was made by the beneficiaries under a settlement made by the late Sir Herbert Bartlett, builder of Tower Bridge, St. Thomas's Hospital and Waterloo Station in London.

Mr. Edward Nugee, QC, for the beneficiaries, told Mr. Justice Brightman that the settlement comprised 99.8 per cent of the shares in Bartlett Trust, a property investment company, of which the bank was the shareholder.

Honeyman collection total nears £1m

SOTHEBY'S continued yesterday with the sale of the Honeyman collection of scientific books, which it acquired from the vendor for a reputed £3m.

This session brought in £271,510 to make a running total to date of £962,644. The top price was £55,000, plus the 10.5 per cent buyers' premium and VAT, for a 13th-century illuminated manuscript in Latin of Ptolemy's "Almagest."

SALEROOM

BY ANTONY THORNCROFT

tion for a block of four £5 violet and black Gibraltar 1925-32 in mint condition, while at Bonhams two watercolour views of Corty by Edward Lear sold for £3,000 and £3,900 respectively. The top price was £4,200 for "The Water Tower" by Sir William Russell Flint.

At Glendings' coin auction the top prices were £3,800 for an 1887 proof set; £2,400 for a 1911 proof set; and £1,550 for a central Dalmatian siege piece dating from the Napoleonic Wars.

The Phillips glass auction produced a good price of £6,200 for a 17th-century Nuremberg goblet.

CONTRACTS

THE 600 GROUP has signed a research and development contract with the Department of Industry to establish a Flexible Manufacturing System (FMS) pilot cell to machine a wide family of turned components.

will be used for automatic loading and unloading and will be linked by a palletised conveyor system. The whole will be fully integrated into a flexible transfer line under direct computer control. The research unit will be at Hydro Machine Tools, Halstead, Essex, a 600 Group subsidiary specialising in CNC lathes.

HADEN YOUNG has won a £500,000 contract to install all mechanical services into a climatic chamber at the Army's personnel research establishment at Farnborough, Hampshire. It will be used for research on human protection in temperature and arctic cold.

M. AND T. CHEMICALS has received an order worth nearly £500,000 from Caterpillar Tractor of Birtley, Tyne and Wear. The contract is for an advanced automatic hard chrome plating line including all ancillary equipment and an effluent disposal plant. M. and T. Chemicals has also won a contract worth £290,000 from Ford-Werke AG of Cologne for two new automatic phosphating lines. The plants, to be installed at Swanson and Halewood, will have an output of nearly nine leads an hour and are to be used for treating components for Ford gearboxes and transmission systems.

Shell Exploration and Production has awarded the air correction division of UOP, Northampton, a contract worth more than £100,000 for 11 gas separators that will be used to remove liquid and solid impurities in a natural gas stream before it is compressed on a Shell well head platform in the Fulmar oilfield in the North Sea.

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A FINANCIAL TIMES SURVEY IRELAND JUNE 18 1979

The Financial Times proposes to publish a Survey on Ireland. The provisional editorial synopsis is set out below.

INTRODUCTION: Ireland last year topped the EEC charts for growth rates of GNP and exports. Membership of the EEC has meant unprecedented prosperity for the Irish, who traditionally have been one of the poorest peoples in Western Europe.

ECONOMY: Ireland's white paper for the economy until 1981 envisages growth rates of 6.5 per cent a year for the next three years, a reduction in numbers unemployed by three quarters, and an inflation rate down to 5 per cent.

FOREIGN RELATIONS: Ireland is now immersed in and enjoys membership of the EEC. It is active at farm councils and Foreign Minister meetings.

TOURISM: Ireland had over 2 million visitors last year, the highest level ever. It made £400m from tourism, which means that nearly 10 per cent of foreign exchange earnings come from that source.

AGRICULTURE: Since Ireland joined the Common Market in 1973 agricultural incomes have risen by 140 per cent. Over 80 per cent of Ireland's agricultural production is beef and dairy products—produce for which prices under the Common Agricultural Policy are very good.

NATURAL RESOURCES AND ENERGY: Ireland has been engaged in an offshore oil search for the better part of 20 years. The only significant find so far has been the gas discovery off Kinsale Head, but this is scheduled to run out by the early 1980s.

INDUSTRY AND INDUSTRIAL UNREST: Ireland is trying to industrialise and offers handsome incentives to investors. The state body, the Industrial Development Authority, can offer investment grants amounting to 60 per cent of start up costs as well as training grants, loans and equity stakes.

CULTURAL AND SOCIAL LIFE IN IRELAND: As Ireland's prosperity grows, some of the old traditions are changing. This is evident in the way old cottages are giving way to modern bungalows.

For further information please contact: Neil Ryder, Financial Times, Brackley House, 10 Cannon Street, EC4P 4BY. Tel: 01-248 8000 Ext 394. Telex: 835033.

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

Midlands outlook better

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

SIGNS OF AN UPTURN in the West Midlands are shown by the latest survey of companies undertaken by the regional office of the Confederation of British Industry.

Home and export orders are slightly higher and spare capacity lower, according to results of the survey, published today. But Mr. Steve Rankin, the CBI regional director, said it was difficult to assess how much importance should be attached to the improvement.

winter, or a definite trend towards a healthier future.

Mr. Rankin was particularly cautious about the apparent improvements in exports. "The U.S. economy has improved, and there are signs of growing strength in the economies of Japan and West Germany," he said. But Britain faces the handicaps of low productivity and a strong pound.

Shortage of skilled labour was a disturbing trend thrown up by the survey. Not one of the Midlands companies questioned reported any improvement in recruiting men.

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John 11/10/50

Safety fears over brake pads

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

POOR QUALITY disc brake pad materials, mostly imported from Spain and Italy, are being sold in the UK automotive replacement market, a group of British manufacturers claimed yesterday.

There are several small manufacturers of friction materials operating on shoe-string budgets who are showing less concern for public safety than perhaps they should," maintained Mr. George Colson, a director of Mintex and spokesman for the British group.

Tests carried out by the UK companies over the past two years on 32 brands of "unknown" imported disc brake pads revealed that 12 did not come up to the minimum standards the British apply

before their products are released as being safe in use.

Another seven were found to be of "marginal" performance, leaving only 13—or 40 per cent—"acceptable," according to the UK companies.

Mr. Colson stressed that his group was not campaigning against imports from "quality-conscious overseas manufacturers, many of whom have their own long-established reputations to sustain backed by their own research and development facilities."

The offending products were mainly anonymously packaged and as far as the do-it-yourself motorist was concerned, difficult to identify as there was little

to indicate they were imported; and neither were they particularly cheap at the retail level.

There are no legal minimum standards for replacement brake pads in the UK as there are in West Germany, for example, and the MoT tests to be introduced in Britain in June would not necessarily show up deficiencies in the pads.

So far the manufacturers have discovered 50 brands of "unknown" disc brake pads on sale in Britain, but these have captured only a relatively small share of the UK replacement market for such products—estimated to be worth £17.4m a year by Industrial Market Research in a report to be published shortly.

The UK manufacturers are countering the problem by emphasising the quality standards of their own products by using a "QA" (for Quality Assured) symbol as a kind of guarantee on their brands, which include Lockheed, Girling, Don, Ferodo, Mintex, Trist Draper, Autela, Belaco, Duron, GT Antoparts, and Gaudex.

Cutting to replace dangerous tunnel

BY IAN HARGREAVES

BRITISH RAIL is to bypass the 750 ft long Fennanshiel Tunnel on its East Coast main line in Scotland, where two men died in March after a rock fall.

British Rail said yesterday that its engineers had decided that the 130-year-old tunnel, between Berwick and Dunbar, was still considered unsafe.

The bodies of the two men killed have still not been recovered. They were at work, widening the tunnel to accommodate modern freight containers, when the accident occurred.

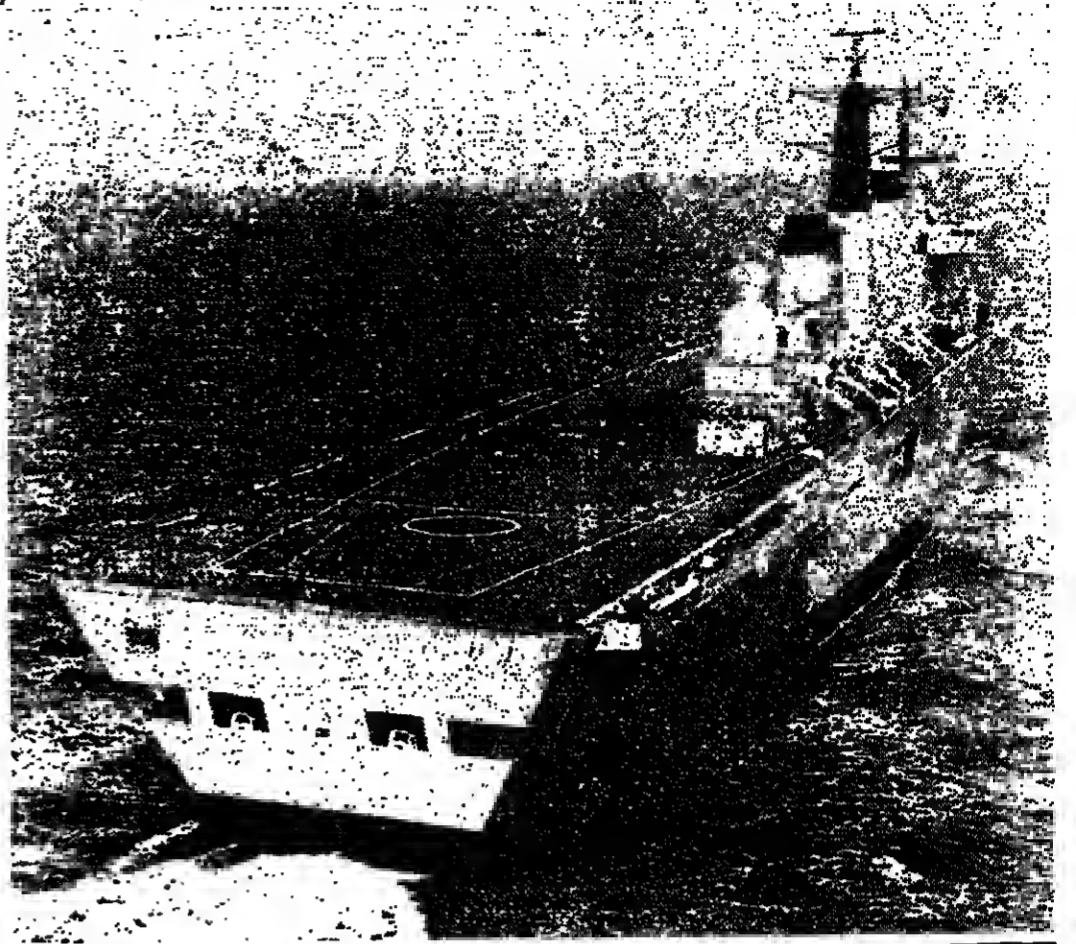
British Rail said it had looked at a number of options, including closure of the northern section of the line and keeping in use the diversionary lines which have kept London-Edinburgh services open since the accident. Another option, now rejected, would have involved cutting the hill in two, creating a 75 ft deep cutting along an altered track alignment.

The option it favours, however, is to spend a further £1m making an open cutting nearer to the A1 trunk road. Work will start in the next few days and will be completed within six months.

British Rail said the announcement "should end frequent speculation about the line's long-term future."

From May 14, until the line is reopened, there will be six direct day-time trains in each direction between Edinburgh and London—three to Kings Cross via Carlisle and three to Euston. In addition, a further four day services are available by changing to west coast main-line services at Carlisle.

Invincible on sea trials



THE FIRST of the Navy's new class of anti-submarine cruisers, the 20,000-ton Invincible, built by Vickers (Shipbuilding), is now undergoing sea trials off the West Coast of Scotland before joining the fleet. Two other vessels in this class, Illustrious and Ark Royal, are under construction by Swan Hunter of Wallsend-on-Tyne.

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£300,000 green slate comeback

BY RHYS DAVID

GREEN SLATE, one of the distinctive products of the Lake District is making a comeback. Demand is rising, particularly in export markets.

But for one of the surviving companies in the industry, Buttermere and Westmoreland Green Slate, the revival is creating some problems.

The company, which operates the Honister quarries on Honister Pass between Borrowdale and Buttermere, dating back more than three centuries, has both orders and reserves. Operations were run down to such an extent, however, following the rise in post-war years of the ceramic roofing tiles, that the company now needs a major injection of capital to finance an expansion of its activities.

The Honister quarries, which in their time have supplied a range of famous buildings, including the Ritz Hotel, St

James's Palace and Durham Cathedral, were until 1967 operated by companies under licence from the owner of the land, Lord Egremont, whose northern seat is at nearby Cockerthwaite Castle. In that year, however, the last of the old companies pulled out. The quarries have been run directly since then, first by the late Lord Egremont and then by his successor.

During this period efforts have been made to diversify into tiles for walls and floors as well as roofing. Sales have been developed in a number of overseas markets, in particular Scandinavia. The company also obtained planning permission in 1967 for new quarry operations, but has subsequently found that the material available from this site is not wholly suitable.

Green slate is volcanic and formed partly from lava and

partly from ash. The new quarry has been found to contain slate formed mainly from lava. While this type saws and polishes well, making it suitable for the gift trade, it does not split easily into tiles, as slate formed from ash does.

The company last year obtained planning permission for another quarry which, according to a survey commissioned from Powell Duffryn quarrying experts, is mainly ash. If this can be developed, a substantial increase in output to meet rising demand would be possible, the company believes.

According to Mr. R. W. Hindmoor, company secretary of Buttermere and Westmoreland, the capital requirement for developing the new site is estimated at £250,000-£300,000. An advertisement has been placed in newspapers to see whether a partner can be found.

Green slate, a cousin to Welsh slate which is similarly enjoying a modest revival, costs 30-40 per cent more per roof than its ceramic rival. But its estimated life of 100 years is at least double. Some 70-80 per cent of the Honister quarry's business is now in export markets. There is also a steady demand for the material in the UK. Historic buildings are among the main customers.

The extra finance is needed mainly to cope with the cost of removing the overburden under which the new reserves lie. Much of the quarry's output was originally deep-mined but this process is now uneconomical except as a standby in unfavourable weather.

With finance the company believes it could expand employment which has shrunk to only 17. Very little alternative industrial employment is available in the area which is becoming dependent on tourism. Expansion of the giftware side would also be possible if new financing for the slate operations could be obtained.

Caledonian Airways gives staff £644,000 shares

EMPLOYEES OF the Caledonian Airways Group, which includes British Caledonian Airways, are to receive shares in the company valued at £644,000. An agreement was made last year to adopt a share scheme for some 4,200 staff. The company is allowed to allocate up to five per cent of pre-tax profit for this.

Staff must be more than 21 years of age and have two years' service. Allocation is geared to earning levels. For every £1,000 of basic pay, employees will receive shares to the value of about £30.

Group Chairman Mr. Adam Thomson said: "The scheme is designed to give employees a stake in the organisation they work for and a strong incentive to increase profitability to their own benefit. The scheme, he said, would

be run by trustees, including staff representatives. Each year that an allocation of profit was made, the trustees would use the money to buy shares in the group company, Caledonian Airways Ltd. They would be divided by the trustees in proportion to the basic pay of participants who would not have to pay for them.

The company made a record pre-tax profit of £12,237,000, after interest on loan capital and the employee shares allocation, for the year to October 31, 1978. The group comprises British Caledonian, Blue Sky Holidays, Caledonian Hotel Management, Caledonian Air motive (the Scottish-based aero-engineering company which will start trading in 1980) and British Caledonian Helicopters, formerly Ferranti Helicopters.

Tourist spending set to rise

By James McDonald

WORLD TOURISM expenditure up to 1990 is expected to rise slightly in constant price terms, according to the Economist Intelligence Unit.

This growth will, however, be mainly due to a changing pattern, between origin countries, with West Germany and Japan likely to show the largest growth and with Eastern Europe likely to become an important area of origin.

In terms of tourist expenditure, the UK, in sixth place in 1976, will decline to ninth by 1980, with Canada, fourth in 1976, falling to eighth place by 1985.

Japan, seventh in 1976, is expected to have the third highest expenditure by 1985.

These are some of the main predictions in the unit's report, just published at £50.

The report uses sophisticated forecasting techniques, the methodology being fully detailed as a tool for those engaged in tourism planning. But it contains many interesting insights into past, present and future patterns of tourism.

For example, no less than 42 per cent of world travel expenditure is on cross-border trips mainly within Europe and between the U.S. and Canada and Mexico.

The average paid holiday is around 4½ weeks. In Australia it averages eight weeks, in the UK 3½, and in the U.S. 2½ weeks.

Doctor says drug is addictive

A WIDELY-PRESCRIBED sedative drug is as addictive as heroin, a doctor warned yesterday.

Patients may need to go into hospital to get over the withdrawal symptoms, said Dr. Michael Hession, consultant psychiatrist at the Mid-Wales Hospital, Talgarth.

The warning has been passed to the Committee on Safety of Medicines and in the meantime Dr. Hession has called on family doctors to stop prescribing the drug, Hemineverin.

The alert follows incidents involving five patients at Mid-Wales Hospital over the past year who went into "a state of madness" 24 hours after they stopped taking Hemineverin. Their symptoms included hallucinations, excited behaviour, crying, suicidal tendencies, and disorientation.

Effects had lasted up to eight weeks, Dr. Hession added: "The withdrawal symptoms are worse than heroin. It is a bit like a person who has gone completely mad."

Dr. Hession's findings will be published in full in "The Lancet" this week.

Hemineverin is sold in Britain by Astra Chemicals, which has offices in Watford and St. Albans, Herts, and a parent company in Sweden. The company refused to comment on the disclosure.

The Department of Health said the Committee on Safety of Medicines would investigate evidence received concerning the effects of the drug.

● Keith Munn, drummer with The Whn rock group, died last September from a massive overdose of Hemineverin.

Professor's package cure for inflation

BY DAVID FRED

THE CHANCELLOR in the incoming Government should call a convention of serious economists of all persuasions, Professor Richard Lipsey, of Queen's University, Ontario, said in London this week.

The convention should draft a document recommending a package cure for inflation, and the Chancellor should apply the "whole melange of cures," he said.

Professor Lipsey, author of the textbook *An Introduction to Positive Economics*, was lecturing at the City University, where he is a visiting professor.

Government need not apply particular cures according to specific theories of inflation, he went on. "Unless cures have a negative effect on each other there is no reason they should not be applied together."

Professor Lipsey said the best way to learn more about inflation was for a group of economists, who cared more about answers than about justifying doctrinaire positions, to be established to apply for a large Social Science Research Council grant.

This group should then list, publicise and provoke criticism on the main established facts about inflation.

Holiday travel


LONDON TRANSPORT is to operate Sunday bus services on Bank Holiday Monday. Sunday services will also operate on the Underground but will finish at weekday times.

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UK—ELECTION NEWS

Callaghan spells out message of hope

BY IVOR OWEN

LABOUR deserves a vote of confidence after bringing Britain through the most dangerous crisis since the war.

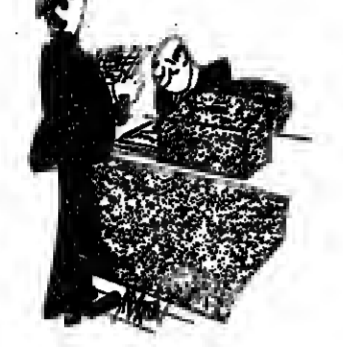
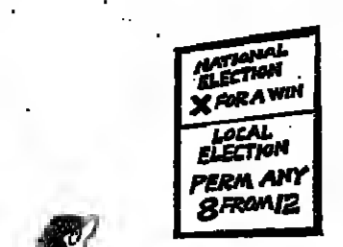
He accused Mrs. Margaret Thatcher of wilfully shutting her eyes to the truth about the improvement in the country's position since it was brought "almost to its knees" by the last Conservative Government in 1974.

Mr. Callaghan emphasised that Labour had replaced confrontation by co-operation and he appealed to the nation not to put the clock back so that the bitter experiences of the Heath years had to be endured again.

He insisted: "Ours is a message of hope. Ours is a belief that co-operation will succeed where confrontation failed. Ours is a message of promises that have been kept."

"It is upon that that we base our call for a vote of confidence from members of all parties for support for the Labour Government tomorrow."

Mr. Callaghan maintained that the essential message of the last five years was that



Britain had become a more prosperous society with a sounder industrial base. "When I look back to where we started from, I am astonished that the leader of the Conservative Party should have the effrontery to declare that this country has been sliding back."

The PM reminded his audience that in 1974 the Conservative Government left behind a country torn by industrial disputes and with a record balance of payments deficit.

So bad had been the situation that Mr. Heath, then Prime Minister, had spoken of his "desperate forebodings for the future."

Mr. Callaghan demanded "Does Mrs. Thatcher think we have forgotten all that?" Labour policies, he said, had replaced confrontation by co-operation. "Instead of division we have had social justice. In place of compulsion we have sought and gained consent."

The rate of inflation has been brought under control; the balance of payments deficit has been eliminated. Living standards have been improved; taxation has been cut, social benefits, including pensions, have been increased.

"Unemployment has fallen—that is a fine record for the last five years."

Mr. Callaghan promised that a Labour Government with a renewed mandate would work for a strong, prosperous and more just society.

PM stresses Labour links with unions

BY IVOR OWEN

BY RETURNING a Labour Government, voters can ensure that Britain has fewer strikes and that the living standards of ordinary families rise faster.

The Prime Minister claimed yesterday in his final election Press conference in Cardiff.

Snow and sleet gave a chill beginning to his full round of eve-of-poll engagements in the city which has provided him with his Commons seat for 34 years.

Mr. Callaghan was joined on the platform by Mr. Michael Foot, the deputy Labour leader, who had to contend with a local of snow in Tredegar as he made his way from his Ebbw Vale constituency to Cardiff.

No opportunity was lost to stress the prominent role of Welsh-based politicians in the Labour hierarchy.

Mr. John Morris, the Welsh Secretary, confidently forecast that the party will enter the next Parliament with an even more dominant hold on the 36 Welsh seats.

Mr. Callaghan held to the main themes which have featured in nearly every speech he has made during the election campaign: industrial relations, jobs and prices.

He based his claim that under Labour there will be less risk of industrial disruption than under the Conservatives by again underlining that the Government's latest agreement

with the TUC recognised that strikes should be a weapon of last resort.

But he conceded that the agreement is unlikely to be severely tested until next winter.

"I believe that is the time when we shall see how far it is working."

He expected the next TUC Congress to September to ratify the agreement in full and once this had been done there would be the strongest moral obligation upon the trade unions to carry it through.

"That is my belief about next winter—I prefer not to speculate what will happen if it does not work."

Mr. Callaghan accepted that it would be unrealistic to expect 100 per cent compliance with the agreement but insisted that the Conservative proposals to impose new legal obligations on the unions were "purely cosmetic."

The Conservative formula, he said, was directed to "pimples on the body—just irritants"—and would not cure any of the basic problems that existed.

Mr. Callaghan suggested that jobs would be safer under Labour because of the implications of Conservative proposals affecting State aid for industry and argued that prices would be under more control under Labour with a strengthened Price Commission.

Sunny Jim ready for new term

By Kenneth Gooding

A RELAXED and smiling Mr. James Callaghan spent the final day of the election campaign with the constituents who have backed him for more than 30 years.

Young children in traditional Welsh dress greeted him in song as he emerged from a cheerful meeting with pensioners in an old peoples' home.

Then it was on to another school and a meal of sausages, chips and beans and meringue pie. "Delicious," was his verdict.

The Prime Minister, good-humoured and outwardly confident, began the day by assuring a Press conference that he was ready to complete another full Parliament—five years as Prime Minister.

And after that? he was asked. Mr. Callaghan replied: "I am supposed to be Moses, not Methuselah."

SECURITY FORCES in Northern Ireland have been put on the alert to combat any attempt by the Provisional IRA to disrupt polling today.

The province's 534 polling stations will be ringed by police and the 2,500 full-time members of the Ulster Defence Regiment have been deployed in back up on the Army. Mank of the 64 candidates fighting the 12 constituencies have been given guards.

SLEET, SNOW, strong winds and low temperatures (from 5C to 8C) have been forecast for today.

THE FIRST "result" has shown a win for the Conservatives. Taken in Bendinor and Majorca by Thomson Holidays on a "constituency" of 2,000 British holiday-makers, the result was Conservative, 53 per cent; Labour 22 per cent; Liberals 10.5 per cent and others 3.4 per cent.



Three faces of leadership: Thatcher, Callaghan and Steel.

Steel predicts hung Parliament

BY PAUL TAYLOR

MR. DAVID STEEL, the Liberal leader, yesterday accused Mrs. Thatcher of being out of tune with industry.

Mr. Steel's attack came at the Liberal's final Press conference of the election campaign conducted by Mr. Steel from his Scottish constituency over a telephone link to London.

Asked to comment on Mrs. Thatcher's statement that those advocating electoral reform were taking the easy way out of fighting socialism, Mr. Steel said the Tory leader had "ignored the upsurge of interest in electoral reform."

Drawing attention to the support given by the Confederation of British Industry for electoral change, Mr. Steel said most of those in industry

want a degree of stability and know that a change in the electoral system is more likely to keep Britain on a central economic course than either Conservatism or Socialism.

Throughout the Press conference, Mr. Steel renewed confidence that the election result will produce a hung Parliament with the Liberals holding the balance was apparent.

He repeated his prediction that the Liberals will emerge from the election with a minimum of 20 seats and perhaps up to 50 seats and said he still had "no preference" for working with either the Conservatives or Labour.

However, he said, there was "an absolute obligation" on the party leaders to accept the verdict of the voters.

Thatcher takes tough line on 'scroungers'

BY OUR LOBBY STAFF

AN OUTWARDLY confident Mrs. Thatcher promised yesterday that the Tories would take a much tougher line with people who consistently turned down offers of a suitable job while receiving social security.

But she balanced this hard line on "scroungers" with a pledge that there would be no major redundancies resulting from the party's plans to cut public spending.

At her last Press conference of the campaign, Mrs. Thatcher's main purpose seemed to be to try to raise the level of debate above individual issues and onto a more idealistic plain which she presumably hoped might strike a sympathetic chord among voters leaning towards the Liberals.

The case for voting Conservative, she said, was not merely a material one but a moral one as well.

She also repeated the message that she has been developing throughout the week—that a vote for the minority parties would be a wasted one.

There was only one way to defeat "state socialism" and that was by voting Conservative. Voting Liberal or Nationalist could put a Labour Government in power, she warned.

Questioned on individual policies, she and other speakers confirmed that the Conservatives would like to raise the starting point for pay invest-

ment income surcharge to at least £4,500.

The Conservative manifesto commits the party to "reinforcing" the rules about the unemployed accepting available jobs and yesterday Mrs. Thatcher said that a Conservative Government would be very much tougher in seeing that people drawing social security accepted suitable jobs.

Such people, she said, could not go on preferring to live on social security payments taken from other people's taxes.

But she and Sir Geoffrey Howe, the shadow Chancellor, also emphasised that they hoped it would be possible to make the necessary reductions in State spending without a major programme of redundancies.

Natural wastage would provide considerable opportunities for slimming down the workforce, and in some instances, workers might be offered early retirement. But Mrs. Thatcher was careful to stress that any early retirement scheme would be discussed first with the people involved and that the terms would have to be generous.

Mrs. Thatcher also admitted that she was attracted by the idea of setting up a new index to monitor the cost of living.

She said that for some time she had thought it ought to be possible to devise an index which treated tax as a cost instead of concentrating solely

on prices.

Such an index would obviously present the result of any switch the Tories might make from direct to indirect taxation in a better light than the existing indices, but she stressed that there was no question of replacing the present Retail Prices Index altogether.

Sir Geoffrey also attacked Labour's economic policies as "muddled." The figures, he said, simply did not add up.

But, for the most part, yesterday's conference was devoted to selling Tory policies rather than knocking Labour's.

Throughout the campaigning, Mrs. Thatcher said, Conservative policies had been "all of a piece, stemming from the passionate belief in the rights of families and individuals to lead their own lives and to become a nation of independent individuals." The case for cutting taxes was a moral as well as a material one.

Describing herself as having "very considerable grounds for cautious optimism," she refused to rule out the possibility of a hung Parliament.

She indicated that those who favoured proportional representation as a solution to Britain's problems were dodging the main issue. The only way to fight "state socialism" was by meeting it "head on."

There was only one way of securing the change which she believed the people wanted and that was to vote Conservative.

Tories 'quietly optimistic'

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

MRS. THATCHER ended a whirlwind tour of five Labour-held seats in south London yesterday with the prediction that there was "a very good chance" of a clear Conservative majority in the new Parliament.

"I believe in my heart that we shall get a majority," she declared cheerfully. "Not only in my heart—my head has done quite a lot of calculations as well."

"We are quietly optimistic. We have very good grounds for being optimistic tomorrow. It is going to be a pretty crucial 15 hours."

The Conservative leader declared that she was not worried about the possibility of a hung Parliament. There were three ways of putting a Labour Government back in: by voting Labour, voting Liberal or voting Nationalist.

"If you don't want a Labour Government in, there is only one thing to do, and that is to turn

out and vote Conservative."

Looking fit and lively Mrs. Thatcher said that her campaign tactics had been right. The Conservatives had presented their policies in a positive way and that had been steadily having an effect.

"I could go on for weeks," she joked. "It really is getting very stimulating indeed." There had been no surprises during the campaign and she hoped that there would be none today.

She refused to be tempted into forecasting what she thought the Conservative majority would be. "I am willing to wait another 36 hours."

Asked how she would feel about being Prime Minister, she suggested that the question should be put again in two days' time. Nevertheless, judging by the tone of her answer, there was a hint that she already envisaged herself in No. 10.

"Obviously one is very much aware of the tremendous

responsibility of being Prime Minister of Great Britain. To me it is the highest ambition one could aim for.

"I do feel passionately about the way of life that made Britain great, and I am determined we should have that way of life again."

Mrs. Thatcher visited Fulham; Battersea, South; Norwood, Central; Lewisham, West; and Dulwich, most of which are considered by the Conservatives to be marginal.

Mrs. Thatcher said that the party workers there were finding tremendous support, much of it from areas such as court estates that had not provided, it before.

In Fulham, Michael Stewart, the former Labour Foreign Secretary, was the member, with a majority of 5,321, before retiring at the end of the last Parliament. Lewisham, West, is held by Mr. Christopher Price, the Liberal, with a majority of 5,529.

Narrow majority predicted

BY JOHN LLOYD

Labour will win, but with a narrow majority, Mr. Bruce Millan, Secretary of State for Scotland, predicted yesterday.

Mr. Millan said: "I think we will be ahead tomorrow, but not in the extent of a big majority. I don't think that will happen."

"But I hope that the swing towards Labour south of the border will be sufficient to give us a working majority. I think another hung Parliament would be bad for the country."

Mr. John Silkin, speaking in Deptford, London, said that the Conservatives had a "rowdily

approach" to the Common Market.

"They cry 'Don't rock the boat, you may upset our European partners, be nice to them and perhaps they may give us something.'"

Mr. Silkin said that "Labour's strong stand" had won a four-year food price freeze, butter and school milk subsidies and the retention of "the daily pinta."

The next Labour Government would change the C.A.F. freeze prices until food surpluses were ended and improve access to cheap food.

Liberals stand poised as a Tory stronghold grows restless

BY BARRY RILEY

CUT OFF by the River Thames to the north and west and by its park to the south, Richmond cherishes its individuality among London's prosperous suburban sprawl.

Maybe that is why, over the past 20 years or so, the constituency has grown restless in its role as a Conservative stronghold and has acquired a place on the Liberal Party's list of 20 most winnable seats.

However, Mr. Alan Watson, Liberal candidate, has faced a hard task in trying to oust Sir Anthony Royle, member since 1959.

Mr. Watson, a former television journalist who ekes out a living as Brussels Eurocrat, needs a swing in his favour of more than 5 per cent. From the occasional base of a Sheen pied à terre, he has mounted a campaign with a typical Liberal emphasis on a power base in local politics.

A vigorous local party exploited in the 1960s the political gulf left between a sleepy Tory organisation and the vestigial Labour vote. In Richmond not even the dec are red, although there are, some say, council estates to be found to the further flung parts of the constituency, and there are buddled terraces beneath Watney's brewery at riverside Mortlake.

In the past decade or so, the Liberal campaigners have moved in and ousted the few one-time Labour councillors. The Liberals won a 13-9 victory over the Conservatives at last year's

borough elections although they are less forthcoming about their loss of the constituency's Greater London Council seat to the Tories in 1977.

The borough council as a whole, however, remains dominated by Twickenham Conservatives, allowing the Richmond Liberals room to whip up local feeling about the recent 20 per cent rate increase.

Moreover, a minor local scandal has erupted during the election campaign: four Conservative councillors from Kew resigned from the Conservative Association last week over a loan to a property company that proposes to develop council-owned land.

Sir Anthony Royle brushes aside all attempts in base the campaign on local issues. "I'm distanced from the council," he points out carefully, although he emphasises his interests in local issues such as motorway plans and aircraft noise—a vital point in a constituency trapped beneath the approach path to Heathrow.

He is a director of substantial companies such as Sedgwick Forbes, Bronke Bond and Wilkinson Match, maintaining an address in Cadogan Place and a major house in Clonsilla, Berkshire. He argues that Liberal criticism that he is a part-time, non-resident MP is a standard Liberal tactic that falls flat coming from a Brussels-based opponent (although Mr. Watson

will move to Richmond if he wins).

Sir Anthony has his eyes firmly on the national swing and national issues. He is seeking an increased majority, although he pays tribute to the campaigns of his chief opponents.

What about the Liberals' assertions that they are running

neck-and-neck with the Tories? Sir Anthony smiles tolerantly. He agrees that the Liberals are leading in Mortlake and Ham, ironically the home village of Sir James Goldsmith. But the Conservatives believe that they are ahead in the Town division, an area of bedsitterland which the Liberals must win if they are to make any overall impression, while the Tory hinterland of Palewell, Sheen and Barnes remains rock solid.

While the Conservatives and Liberals gain most attention, Mr. Julian Filochowski, Labour candidate, a would-be

Tribune group member from Camden, has fought a spirited campaign.

Getting round the obstacle of his mouthful of a name by printing posters carrying the message "Julian... who?" Mr. Filochowski has been placing the emphasis on prices, in particular, taking an anti-EEC stance on food prices.

However, normally contentious issues like unemployment, immigration or the EEC round off comparatively little in pampered Richmond, a middle-class domain where Peter Barkworth is playing this week at the Theatre on the Green, and every other shop seems to sell kitchen equipment.

Mr. Filochowski, himself no horry-headed toiler but a well-travelled Cambridge graduate who is secretary of an international Christian organisation, is quick to disclose one of his main difficulties. "This is a very intelligent electorate," he says. "They know all about tactical voting."

He says that the vote-switching that took place in the local elections will not be repeated in today's Parliamentary poll. But the Liberals have been hammering away at the argument that only they can oust Sir Anthony Royle.

Their hopes of victory depend partly on the possibility of a late national swing against the Conservatives, partly on tactical voting from Labour supporters. But there is a shadow over

Liberal prospects, with the arrival on the scene of a brash pop music figure listed in the election schedule as Kenneth George King, commonly known as Jonathan King, standing as an independent.

While Sir Anthony Royle's white Range Rover stands ostentatiously on a yellow line outside the Tory HQ, Mr. King parks his festooned white Rolls-Royce Corniche, registration number JK 9000, in the middle of the road. At times he has also appeared in a double-decker bus.

Full of gimmicks, Mr. King has been handing out golden discs carrying his recorded message. "They only cost £175 for 5,000," he confides. He insists however, that this campaign is not a simple publicity stunt on the lines of his appearance at the Epsom by-election as "I am serious now. Are you?" he says in his election address.

If he should pick up a thousand, or two thousand votes it might be serious for the Liberals.

October 1974 election: Sir Anthony Royle (C), 17,450; Alan Watson (L), 13,238; R. G. Marshall Andrews (Lab), 8,714; E. A. Russell (NF), 1,000. Majority 4,215.

1979 candidates: Julian Filochowski (Lab); Jonathan King (Ind); Patricia Murphy (NF); Sir Anthony Royle (C); Alan Watson (L); David Wedgwood (Libertarian and Eng Nat).

Tories retaliate on jobs

BY OUR LOBBY STAFF

SENIOR Tories mounted an eve-of-poll attack on Labour's claims that a Tory government would lead to an increase in unemployment. The truth, they insisted, was that the Conservatives' commonsense approach would lead to more jobs.

Most Shadow Ministers spent the last day of the campaign in their constituencies but continued to hammer home the message that only a Tory Government offered the country a chance of genuine change for the better.

As on almost every day since the campaign began, they also felt obliged to retaliate at what they termed Labour "amears."

Mr. James Prior, the Conservative employment spokesman, speaking in his Lowestoft constituency, said that Labour was not only wrong in predicting

that the Tories would increase unemployment but that, in fact, the reverse was true and that a vote for Labour was a vote for unemployment.

He denied what he described as Labour's "wilful misrepresentation" of the Conservative policy on the Post Office. The party, he said, had made no decision to accept the Carter report's recommendation to split the corporation into two separate businesses or whether to break the Post Office's monopoly of supply and installation of equipment.

He said on the eve of the poll that it was wrong to suggest that a Conservative Government would fail to honour the recommendation of the Clegg Commission on pay reparability. He also rejected claims that Tory government would inaugurate another round of "Beeching style" cuts on the railways.

Mr. Mark Carlisle, Conservative education spokesman, also took up the jobs theme in a statement yesterday rejecting what he described as Denis Bealey's attempt to make political capital out of the Merseyside Chamber of Commerce's views on Tory policies for the National Enterprise Board.

The Conservatives would, he repeated, keep the NEB in being and allow it to continue "with its useful work of restoring invalid companies to health." What they would stop was Labour's scheme for using the NEB as a vehicle for "backdoor nationalisation."

It was the "Conservative commonsense approach to jobs," he said, that might bring new hope to Merseyside.

Mr. Edward Heath, the former Prime Minister, ended his round Britain tour with a call on Britain's first-time voters to "revolt" against the Labour Government and support the Conservatives. The new generation must revolt against the stagnation and failure that it had seen over the past few years.

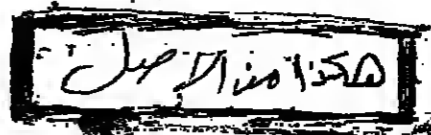
In their final speeches, Mr. Francis Pym, Shadow Foreign Secretary, and Sir Ian Gilmour, Conservative defence spokesman, returned to the theme that only the Conservative offered Britain the chance of real prosperity in the future.

Attacking Labour's failure, they argued that a vote for Tories would be a signal of new beginning that would see the country turn its back on the "failures of the previous years."



Liberal builder Alan Watson talks to local builder Frank Young.

1550 من الأصل



West promises to back Tories or Labour

BY STEWART DALRY

MR. HARRY WEST, leader of the Official Unionists, the main nationalist group in Ulster, disclosed yesterday that the party will be prepared to co-operate with either the Conservative or Labour Party in the event of a hung Parliament, given agreement on a return to a fully devolved government in Northern Ireland.

The party also demands the immediate restoration of some form of local government. There is no local government in Northern Ireland between the Secretary of State and the almost powerless 26 district councils.

The Official Unionists have been trumpeting the agreement that there should be another five or six seats for Northern Ireland in the next Parliament as a great triumph for their party in the last one.

Temperamentally, the party would feel happier with a small Conservative majority, since it is a traditional Conservative ally.

However, Mr. James Molyneux, the party's leader in the last Parliament, indicated that he believes that the Labour Party might be prepared to restore some form of local government to Northern Ireland if it were in a minority position, possibly a fully devolved government.

He has disclosed that the Labour Government went further in its attempts to secure official unionist support in the last Parliament than has probably been known.

The only real cliffhanger in the election in Northern Ireland is Mr. West's old seat of Fermanagh-South Tyrone, where the Roman Catholics and the Protestants are suffering from split tickets.

The seat, a marginal Roman Catholic majority, was captured by Mr. Frank Maguire, basically because other Roman Catholics agreed not to stand. This time, however, Mr. Austin Garrie, who was Chief Whip of the Social Democratic and Labour Party, has decided to stand as an independent.

Mr. Raymond Ferguson, who will represent the Official Unionists, faces competition from Mr. Ernest Baird, leader of the United Ulster Unionist Party. Therefore the 30,000 votes Mr. West won in October, 1974, might be split.

Whether Mr. Maguire will get enough above the 25 per cent that he will need in the four-cornered contest is the key

Ray Perman examines election prospects for Scotland

Main parties gather strength at expense of nationalist decline

TWO DAYS ago, I had lunch with a senior member of the Scottish National Party. As we moved from the bar to our restaurant table the ceiling fell in.

A superstitious person might have taken it as an omen. After looking two years ago as if it could take Scotland by storm and displace the Liberals as the third force in British politics, the SNP is now lagging badly in the opinion polls and is likely to lose up to six of the 11 seats it held after the last general election.

But this nationalist was a realist and, just as he discounted the claims by most of the 71 SNP candidates that they had found the golden combination of personality, issues and propaganda that would win them improbable seats against the trend, so he dismissed the obituaries of the party as premature.

There is obviously going to have to be a period of retrenchment, he agreed, a rethinking of strategy and a change of leadership.

But better financed and organised than any of its political rivals in Scotland, with a larger core of highly motivated activists, the SNP will survive.

The Scottish National Party is what makes Scottish politics different from the rest of Britain. Its rise was the main feature of the 1974 elections, and its present decline means that Labour north of the border

will be increasing its majorities substantially, while the Conservatives are winning extra seats.

Over the last two years, the stuffing has been knocked out of the nationalists. The Lib-Lab pact robbed them of the balance of power at Westminster, and they missed their chance in three Scottish by-elections last year, which were won easily by Labour.

The last straw was the referendum fiasco two months ago, which has made "devolution" one of the banned words in this election campaign—like "oil," the voters on the doorsteps do not want to hear it.

The SNP campaign, which started with the slogan "Scotland said Yes, will you let Westminster say no?" has had to change course. The policy of independence for Scotland is being soft-pedalled in favour of the SNP as some sort of super-pressure group for Scotland.

Labour and Tories will have their way unless the next Government is frightened into action on Scottish problems by a substantial SNP presence. Mrs. Margaret Bain, MP, told a nationalist rally in Glasgow last weekend.

The latest opinion polls give the SNP around 10 per cent less support than it received in 1974, so the best party can hope for is a hung Parliament in which concessions from Government can be horse-traded for the votes of minority parties.

Of the 11 SNP-held seats, three were won from Labour, and, despite Labour's commanding lead in the polls, they are the least likely to change hands.

Mr. Donald Stewart, the party leader, is safe with a 5,232 majority in the Gaelic-speaking Western Isles. Mr. Gordon Wilson, the deputy leader, should be able to withstand a strong Labour challenge in Dundee East, where he has a 6,883 majority and Mr. George Reid has a majority of 7,341 to cushion him in Clackmannan and East Stirling.

The other eight, won from the Conservatives, are vulnerable to a greater or lesser extent. East Dunbartonshire, where Mrs. Margaret Bain had the smallest majority in Britain, with only 22 votes to spare, could fall to either Tories or Labour, who were within a few hundred of each other in October, 1974.

Galloway, where Mr. George Thompson is defending a majority of 30, Moray and Nairn, where Mrs. Winnie Ewing has a 387 vote majority, Perth and East Perthshire, where Mr. Douglas Crawford has a

majority of 793 and South Angus, where Mr. Andrew Welsh's majority is 1,824, should fall to the Conservatives.

Less certain, however, are Argyll, where Mr. Iain MacCormick has a strong local following, and the two coastal constituencies of East Aberdeenshire and Banff.

Fishing and farming are big employers in both areas and neither group is happy with Conservative policy, particularly towards the Common Agriculture and Fisheries policies.

According to an opinion poll last week, 50 per cent of Scots, including 37 per cent of Tory voters, think that Britain should pull out of the EEC.

Last week, six Conservative candidates in the area made a concerted attempt to get Mrs. Thatcher to strengthen Tory policy on fishing, but she would not go further than saying she supported a "substantial protected zone for British boats."

This is unlikely to satisfy the fishermen, who want an exclusive 50-mile zone around British coasts.

They may be encouraged to vote SNP by the fact that the

party's fortunes are at such a low ebb: a protest vote can be safely cast without fear that it will lead to the break-up of the UK.

But if the Conservatives are favourites to win some SNP seats, they could lose three to the Labour Party.

Mr. Iain Sproul has a majority of only 365 over Labour in Aberdeen South, where there are 20,000 new voters since 1974. Edinburgh Pentlands is also marginal, with a 1,257 majority and 10,000 Scottish National Party votes last time which came mainly from council house tenants.

At Glasgow Cathcart, seat of the Tory shadow Scottish secretary, Mr. Teddy Taylor, looks shaky with a majority of 1,757. Mr. Taylor, however, has a strong personal following and his own right-wing populist campaign has been concentrating heavily on his local fame.

Labour has been conducting a fairly low-key campaign, emphasising the distinctively Scottish features of its record—such as the creation of the Scottish Development Agency—only in the context of the

party's national themes on jobs and prices.

As the polls show, these issues and Labour's approach to them have gone down well with the Scottish electorate and Mr. Callaghan has remained more popular north of the border than he appeared to be south of it.

Thousands of workers, particularly in west-central Scotland, where most of the Labour-held seats are, depend on Government support for their employers, whether it is in shipbuilding, engineering, the car industry or one of the firms supported by the SDA or the National Enterprise Board.

This may help to account for Labour's support, since the devolution policy, which was held by many last year to be the reason the party was doing better in Scotland than it was in England, is no longer, since the referendum, a convincing explanation.

Labour's popularity will not, however, count for many extra seats in the new Parliament, since there are relatively few Tory marginals which it can hope to win.

It should easily retain its present 39 Scottish seats and win back Paisley and South Ayrshire, which were lost when the sitting Labour MPs defected to form their own breakaway Scottish Labour Party.

The only Labour Scottish seat in obvious danger is Calthness and Sutherland, where the Liberals, who held the seat



Mrs. Margaret Bain

until 1966, have been unable to find a candidate.

If Liberal voters turn to the SNP as an alternative to the two major parties, this could endanger the 2,560-vote majority of Mr. Bob MacLennan.

The Liberals should hold their three Scottish seats, those of Mr. David Steel (Roxburgh, Selkirk and Peebles), Mr. Russell Johnston (Inverness) and Mr. Jo Grimond (Orkney and Shetland). They also have a chance of winning West Aberdeenshire, where they were 2,468 votes behind the Conservative last time.

SUPPORT FOR THE PARTIES IN SCOTLAND

Gen. Elec.	Glasgow Herald Opinion Poll					
	Oct. 74	Dec. 78	Jan. 79	Feb. 79	Mar. 79	mid-April
Cons.	25	25	31	37	29	30
Lab.	36	48	40	40	45	49
SNP	30	21	23	18	19	17
Lib.	4	4	4	4	4	4
Scot. Lab.	—	2	1	1	2	1

Scottish issues 'ignored'

MR. WILLIAM WOLFE, chairman of the Scottish National Party, accused Labour and the Conservatives yesterday of ignoring Scottish issues in the election campaign.

He attacked what he called the "presidential-style" campaigning of Mr. Callaghan and Mrs. Thatcher, which, he said, was excluding constructive thinking on matters vital to Scotland.

Speaking at his party's final pre-election news conference in Edinburgh, Mr. Wolfe said: "You would think this campaign was about the figureheads of the two major parties. Their campaigns have revolved around them and excluded constructive thinking on where Scotland is going."

"To listen to them, it is as if the events of the last decade had never happened. No Scottish oil discoveries; no Scottish parliament; no increase in Scottish self-awareness."

"Their campaigns have the putrid smell of indifference about them to the real needs of our people."

Local poll delay likely

BY PAUL TAYLOR

VOTERS in England and Wales—but not in Scotland or Greater London—will be handed two ballot papers at the polling booths today—one for the general election and one for local authority elections.

While the general election campaign has dominated the run-up to polling day, the results of the local government elections could have a significant impact on the whole range of local authority services including education, housing and social services.

Elections will be taking place in all 333 non-metropolitan districts and in the 36 metropolitan areas. In all but 77 of the polls, the full council will be up for election largely as a result of boundary changes.

In the local elections, it is

the Conservatives who are the defending party because of their electoral successes in the metropolitan and district council elections of 1975, 1976 and 1977.

The result of this round of elections has been made even more unpredictable because the turnout is likely to be nearer 70-80 per cent instead of the customary 30-40 per cent.

Ballot papers for the local elections will be grey—distinguishing them from the white ballot papers for the general election.

A few local results are expected to be declared overnight but the bulk of the council results, about 270, are expected between noon and 6 pm on Friday, with the final few results declared up to noon on Saturday.

Ecological Party buoyant

BY MAURICE SAMUELSON

THE ECOLOGY PARTY, which forecasts an industrial and economic global crisis, yesterday said that, whatever the result of the general election, it is in business as a political force, raring to contest both the European and local elections.

The "green" party has fielded 50 candidates, 19 in the South West, and hopes to get up to 100,000 votes. It says the media has treated it seriously and that it could affect the result, especially in some Liberal-held marginals.

Mr. Jonathan Porritt, the 28-year-old vice-chairman who campaigned in London's Marylebone on a bicycle, claimed that

Liberals at Bodmin and Truro had asked the Ecologists not to stand. But they have contested Bodmin and would have also fought Truro if they had had a suitable candidate.

Porritt's eve of poll plea was that "a vote for the Ecologists will not be wasted." They stood for a different way of life and had a comprehensive philosophy.

The party is against lead in petrol, would de-commission nuclear power stations and wants an energy conservation campaign far more drastic than those of the established political parties.

Clash over NEB's role

BY JOHN LLOYD

TWO OF the most powerful representatives of capital and labour clashed yesterday over the role of the state in the economy.

Sir Arnold Weinstock, managing director of the General Electric Company (GEC), appearing on an eve-of-poll debate on the BBC Radio Four programme, World at One, said that the Government's expenditure on microelectronics had been "both good and bad."

The "good" had been the aid to the GEC-Fairchild joint venture in chip production. The

"bad" had been the \$50m being spent in Colorado: a reference to the National Enterprise Board-backed company, INMOS, which has started research and development in Colorado City.

Mr. David Basnett, general secretary of the General and Municipal Workers' Union, also on the programme, defended the Board, maintaining that it had saved Ferranti, Rolis-Royce and BL. He regretted that Sir Arnold's "prejudice" did not allow him to recognise its useful role in the creation of INMOS.

Barclays Bank congratulate the winners and runners-up in the UK Finals of the BBC Money Programme's Company of the Year Award.

Simbek Research Limited, the winners, Greaseaters Limited and Hockenhull & Hayes Limited, the runners-up, are all customers of Barclays Bank.

Good luck to Simbek Research Limited in the European Finals.



Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

Automation Bid for controller market

AT LEAST six months lead with compact but powerful control equipment aimed at a UK market, this year estimated at anywhere between £10m and £20m, is claimed by Sprecher and Schuh for its Sestep 400 programmable controller.

Built around one of the more powerful microprocessors, the controller is intended to give users a completely finished product at low cost which will meet requirements for automatic and easily modified programmed control equipment able to operate on its own or as part of a large complex—that is in a distributed intelligence control system.

This 400 has already been put into operation in a number of installations in Switzerland, including an hierarchical system of 23 controllers for the Swiss Bank Union to automate the warehouse storing documents held by the bank.

The controller is aimed at the fastest growing area of the three markets in which Sprecher and Schuh is active, one expanding at a rate of between 30 and 40 per cent annually. It and similar programmable logic control units are expected to account for a rapidly growing proportion of the company's earnings which last year increased to £140m world-wide, including £3m from the UK company, and 15 per cent up on 1977. The UK branch is expected to improve performance by some 30 per cent this year.

Sestep 400 is suitable for use in controlling burners, heat pumps, standby generators, injection moulders and so on. In its basic form the driver micro is supported by a 4k memory so that applications involving a large number of different formulations or patterns in food industry or injection moulding applications can be handled.

There are 24 input and the same number of output channels, 60 counters, 4 timers and 256 markers. Inputs can be from pushbuttons and photocells while outputs can be up to 2 amps in 24 volt dc.

I/O channels are optically isolated and the whole operation is constantly supervised by an internal Watchdog programme which indicates status through twin lamps.

An extender is available providing a further 24 input and output channels or 32 inputs and 16 outputs; further options are on the way.

A standby battery option is offered for situations such as could arise in chemical process control to provide continuity in power failure conditions.

Programming can be carried out by the user with comparatively simple equipment, or by the agency or the local representative to user specification.

The company has fixed a very low price of £600 per controller in batches of 20, which should make a major appeal to the OEM market.

Where a customer wishes an option is a printer or display unit which can provide production information or alarm condition messages. Text memory will store up to 256 words of 16 characters and a text buffer maintains message sequence.

Programming is simple, via 45 standard instructions and a further 16 special instructions specified by the users. No previous programming experience is required.

The company operates from Thame in Oxfordshire where it intends shortly to start assembling complete control systems. Further details from Sprecher and Schuh, Thame Industrial Estate, Oxon, OX9 3SR. 084 421 3271.

Data Processing Competing with IBM

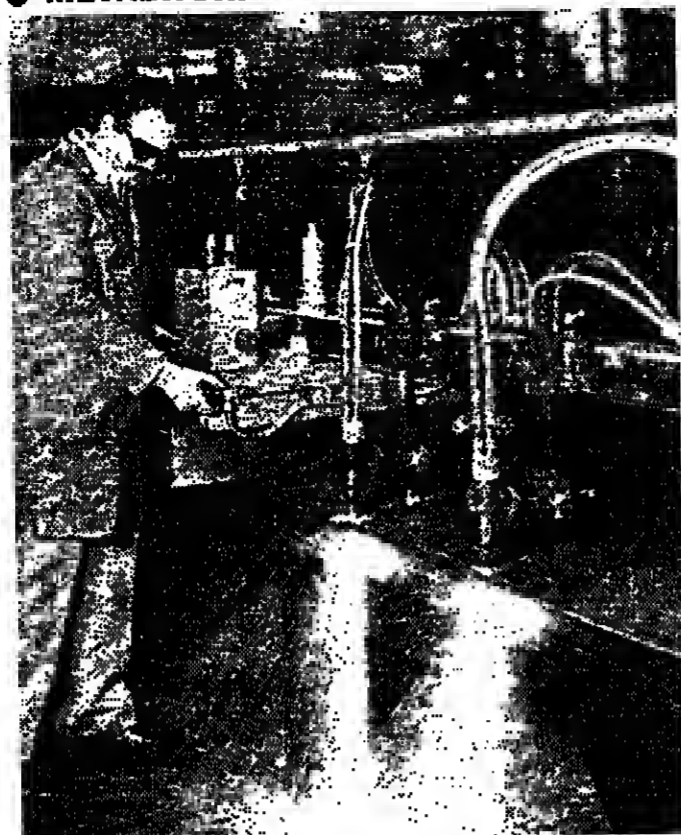
LOGABAX has been working on a unit which enables its L Series printers to be used as plug-compatible replacements for a number of IBM printers.

On price, performance and delivery, the new terminals compare favourably with the IBM equivalents part of the 3270 Information display system Logahax asserts. It is believed that there are no other plug-compatible alternatives to these products on the market, thus the French company could make a significant impact in a new marketing area.

The LX 180 printer is between two and three and half times faster than the units it is intended to replace with prices from 10 to 30 per cent lower respectively.

Logahax, 17 Wesley Avenue, Acton Lane, London, N.W.10. 01-262 9061.

Metalworking



This flame cutting machine, one of the latest produced by Messer Griesham of Whiteley Bay, Tyne and Wear, is intended mainly for small fabrication shops and jobbing firms needing to make profile, straight line and circle cuts in steel plate. Cuts are controlled by a photo-electric steering device. Start of cut direction can be pre-selected on the control panel and the machine will run in this direction until it reaches the drawing which will then be automatically followed.

Instruments Dual-role tachometer

DOT M48 from Compact Instruments is a mains-operated tachometer intended for more permanent installation in a rack or console, or for bench use. It is available for DIN panel mounting or for free-standing applications.

The unit uses a remote, plug-in optical sensor to measure speed of rotation without any physical contact with the machine being checked. All this is necessary is to affix a small piece of light-reflecting tape to part of the rotating surface before the machine is started and then to site the remote sensor within 6 inches of the surface (longer ranges are available to special order).

The speed in rpm can then be read directly from the digital display. Alternatively, a wide range of proximity sensors are also available to plug in, in place of the optical sensor.

The new instrument reads rotational speeds up to 19,999 rpm using the built-in over-range facility. An optional X10 facility is available to increase the range to 199,999 rpm. The crystal-controlled timebase ensures exceptional accuracy: ± 1 rpm up to 19,999 rpm and ± 10 rpm when using the high speed facility.

The displayed reading is updated every 0.6 second so speed changes are "instantly" followed. An important feature of the DOT M48 is that it uses a single pulse multiplier system. This is an electronic method of producing a true rpm readout from a single pulse per shaft revolution rather than, as with traditional tachometers, from 60 pulses per revolution.

DOT M48 is supplied with sensor extension leads, made-up to suit the application, but a linear surface speed generator can also be specified if required. This will change the readout so that it indicates surface speed in metres per minute or feet per minute for such applications as measuring the speed of drive belts, wire and cable making machinery, paper or fabric webs, and similar continuous process applications.

Compact Instruments, Binary House, Park Road, Barnet, Herts, EN5 5SA. 01 440 6663.

Processing

Low oxygen process for steel

VIDOP describes a process by which Kawasaki Steel Corporation will permit such end-users of metal powders as car manufacturers to make their cars lighter without any loss of structural strength.

VIDOP is the acronym for Vacuum Induction - heating Deoxidation Process. This successfully extracts oxygen from chromium manganese based steel powders which are otherwise hard to deoxidise. Thus many new high-strength, low-alloy steel powders containing chromium and manganese, among other alloying materials and having oxygen content below 0.06 per cent can be made. They are far superior in strength, toughness, hardenability and other attributes to conventional alloyed steel powders, and yet are less costly to make because expensive ingredients such as nickel are not included.

The treatment reduces the oxygen content of the alloy powder to 0.052-0.057 per cent. To do this, it uses carbon as the reducing medium, adding this element to the electric furnace melt to get a good mix. The carbon-rich powder goes into a tower-shaped shaft furnace which resembles a continuous casting machine of the vertical mould type, but equipped with induction coils. Powder, after being dehydrated, dried, crushed and screened, is fed into the furnace in a wholly automated operation. The powder is sintered into solid cake which is deoxidised as it travels further downward by the action of a heavy alternating current, inducing rapid heating. Oxides burn off and the carbon reacting with oxygen present in metallic inclusions forms carbon monoxide. The deoxidised cake is then cut into slices and crushed to powder.

Kawasaki Steel, New Yurakucho Bldg., 1-2-1, Chome, Yurakucho, Chiyoda-Ku, Tokyo, Japan.

Safety and Security

Cuts power before danger

STARBREAKER designates new types of consumer electrical circuit protection designed by Crabtree around an improved miniature circuit breaker of the thermal-magnetic current-limiting type.

Compact construction of the breaker has been achieved by minimising the number of parts and of welded joints and rivets. Critical selection of materials used has, for example, specified silver graphite for the fixed contact. The breaker has also been designed so that it will trip even if someone ill-advisedly, is holding the switch toggle open.

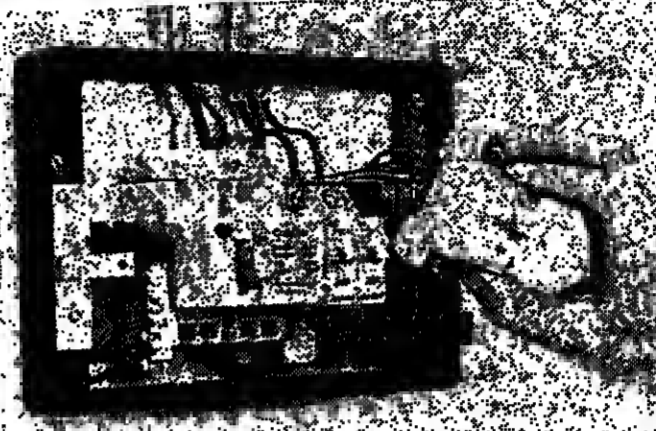
Mounting could not be simpler since the breakers fit to a proprietary rail, or in custom-built installations on to standard 35 mm DIN rails.

Detection of overload conditions takes place through a bimetallic strip which deflects in proportion to the current passing through it. It moves against a trip bar, releasing the mechanism.

When the current flowing through the breaker reaches a predetermined level, in short circuit conditions, a solenoid in a hinged action plunger which separates the contacts and releases the trip.

In both instances, as the moving contact separates from the fixed one, an arc is set up. But at the same time, the voltage across the arc is developed across the splitter plates. The arc moves up inside the breaker along the runner to these plates where it is extinguished.

Because the contact has low inertia and moves very quickly the arc builds up fast and is extinguished fast. This has a marked limiting effect on the flow of fault current and a typical operating time of between 3.5 and 5 milliseconds is achieved.



Circuit breaker can be clipped on to mounting rail and secured by a single screw.

Thus, under fault conditions, energy let-through is minimised and it is, of course, this energy which causes damage to the installation and the equipment to which it is feeding power.

Starbreaker versions with earth leakage circuit breakers (elcb) for use in particularly hazardous environments to protect against fire and/or shock risks, would normally have the elcb factory-fitted to busbar and neutral connections. They incorporate a current balance transformer and polarised relay, the contacts being held closed by the trip. A predetermined earth leakage in the circuit or circuits the device protects unbalances the transformer, and feeds the output from the detector windings to the relay which then triggers the trip.

With the Starbreaker series,

which runs from 5 to 45 amps, and elcb's having a 30 milliamp or 100 milliamp sensitivity, the company has brought out a series of wall-mounting toggle switches which are intended to serve a considerable amount of time for large-scale installations since push-in wiring held by release buttons is specified.

Crabtree has spared a thought for the decorator, and the ultimate appearance of the switch, by providing a removable surround which covers the fixing screws as well.

Corinthian switches are claimed to be the first available in the UK with this time-saving device of push-in terminals.

J. A. Crabtree and Co., Crabtree House, Aldridge, Walsall B39 3ZT.

Banking

Big Danish decision

IN THE FACE of fierce competition from Datasah, IBM Philips and NCR, Olivetti has won its biggest order ever.

Worth an excess of £23m it was placed by the Danish Savings Banks following a study of the merits of most of the major European and American systems.

Olivetti will supply over 4,000 concentrators and terminals, to be delivered in 1981-82, to be installed in over 100 agencies banks controlling 1,000 agencies. The system will replace the present installation supplied by Datasah in the early 1970s.

Based on real-time distributed information processing and with exceptionally high levels of adaptability and security, the new terminals are a generation ahead of the current market, Olivetti asserts.

It was this factor, together with the economic and organisational development programmes of Olivetti that helped in the unanimous decision taken in favour of the company by the Council of Administration of the banks.

British Agents, 36 Berkeley Square, London, W1X 6AH. 01-229 8807.

Materials

Multi-use mortars

FIVE EPOXY mortars, each designed for specific applications in building, civil engineering or maintenance, are now being marketed by Sealcrete Products, Atlantic Works, Oakley Road, Southampton SO9 4PL (0703 777331). The range covers materials formulated especially for use as toppings, renderings or patch repairs on horizontal, vertical and overhead surfaces.

UK Economic Indicators

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume, retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value	Unemp.	Vacs.
1978	107.0	102.2	99	106.4	246.4	1,409	188
1st qtr.	110.8	104.5	95	107.9	254.4	1,367	213
2nd qtr.	111.5	105.1	103	110.7	266.6	1,380	213
3rd qtr.	109.7	102.5	113	111.7	273.0	1,340	239
4th qtr.	109.5	103.5	130	110.5	269.7	1,329	211
Nov.	111.2	103.4	112	113.8	279.8	1,321	231
Dec.							
1979	103.0	106.8	83	109.6	273.1	1,339	236
Jan.	110.4	110.5		110.4	275.4	1,363	231
Feb.				110.5		1,350	236
March						1,311	259
April							

OUTPUT—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mfg.	Textile	Hous. starts*
1978	105.2	98.8	116.3	99.9	96.6	98.0	17.3
1st qtr.	108.0	98.1	122.4	99.7	107.4	101.2	27.1
2nd qtr.	108.0	99.7	123.2	100.8	101.2	103.8	23.0
3rd qtr.	105.3	96.7	123.4	96.4	97.5	101.7	20.2
4th qtr.	108.0	96.0	121.0	96.0	97.0	100.0	24.5
Oct.	106.0	98.0	123.0	96.0	93.0	104.0	20.7
Nov.	106.0	98.0	126.0	96.0	102.0	101.0	15.5
Dec.							
1979	100.0	91.0	117.0	91.0	77.0	95.0	10.1
Jan.	104.0	101.0	129.0	101.0	101.0	100.0	12.6
Feb.							

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance; oil balance (£m); terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US\$bn*
1978	119.6	113.8	-59.0	-361	-620	105.4	20.63
1st qtr.	122.2	110.0	-173	+135	-414	104.5	18.75
2nd qtr.	124.9	114.4	-365	-49	-501	103.7	16.55
3rd qtr.	125.1	112.8	-1	+359	-480	106.7	15.77
4th qtr.	122.6	114.1	108	+12	162	107.3	15.87
Nov.	126.7	113.0	+67	+167	-183	106.8	15.89
Dec.							
1979	113.1	107.3	-119	+1	-60	107.7	16.26
Jan.							16.62
Feb.							17.45
March							21.47
April							

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1	M3	Bank advances	DCE	BS	HP	MLR
1978	24.3	23.8	17.5	+1,811	1,049	1,373	61
1st qtr.	25.2	24.5	18.5	+2,532	894	1,506	10
2nd qtr.	26.1	25.4	19.5	+3,117	749	1,541	10
3rd qtr.	26.7	26.1	20.5	+3,822	876	1,578	12
4th qtr.	27.1	26.5	21.5	+4,527	961	1,615	12
Nov.	27.5	26.9	22.5	+5,232	1,046	1,652	12
Dec.	27.9	27.3	23.5	+5,937	1,131	1,689	12
1979	28.3	27.7	24.5	+6,642	1,216	1,726	12
1st qtr.	28.7	28.1	25.5	+7,347	1,301	1,763	12
Jan.	29.1	28.5	26.5	+8,052	1,386	1,800	12
Feb.	29.5	28.9	27.5	+8,757	1,471	1,837	12
March	29.9	29.3	28.5	+9,462	1,556	1,874	12
April	30.3	29.7	29.5	+10,167	1,641	1,911	12

INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1962=100); trade weighted value of sterling (Dec. 1971=100).

	Earnings*	Basic matls.*	Whsate. mng.*	RPI*	Food*	FT Comdty.	Strig.
1978	123.1	140.2	149.2	190.6	197.3	238.61	64.6
1st qtr.	129.9	146.2	151.5	195.8	203.3	242.27	61.5
2nd qtr.	133.2	144.9	154.8	199.2	206.2	253.74	62.4
3rd qtr.	136.4	147.1	157.3	202.6	208.0	267.69	62.7
4th qtr.	139.6	149.3	160.5	206.0	210.9	281.64	63.5
Nov.	142.8	151.5	163.7	209.4	213.8	295.59	64.2
Dec.	146.0	153.7	166.9	212.8	216.7	309.54	64.9
1979	149.2	155.9	170.1	216.2	219.6	323.49	65.6
1st qtr.	152.4	158.1	173.3	219.6	222.5	337.44	66.3
Jan.	155.6	160.3	176.5	223.0	225.4	351.39	67.0
Feb.	158.8	162.5	179.7	226.4	228.3	365.34	67.7
March	162.0	164.7	182.9	229.8	231.2	379.29	68.4
April	165.2	166.9	186.1	233.2	234.1	393.24	69.1

* Not seasonally adjusted.

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Times-NGA agree talks on compromise offer

BY CHRISTIAN TYLER, LABOUR EDITOR

A MEETING between the Times and the National Graphical Association, the first since talks broke down on April 12, was agreed yesterday.

Mr. Les Dixon, president of the NGA, accepted a formal invitation from Mr. "Duke" Hussey, chief executive of Times Newspapers, which was delivered to the NGA's Bedford offices yesterday.

The day and place of the meeting were not disclosed, but Mr. Dixon said the meeting would be "urgent."

Mr. Hussey will put forward a new formula for the introduction of computer-linked keyboards, probably based on the compromise whose details emerged on Monday.

The Times says that the NGA would be given sole control of the keyboards for original material, but journalists should be able to deal with corrections and changes—the sub-editing

process—on "live" visual display terminals.

After two-and-a-half years, there would be a review involving the company, the NGA and the National Union of Journalists. There would be no pre-conditions attached to this review.

This removal of any prior commitment is the main element of compromise. It was not clear yesterday whether the company had also dropped its insistence that telephone sales girls in the classified advertisement department should also type directly into the computer during the trial period. There is no mention of the tele-ad staff in the formula.

So far, the NGA has insisted that all keyboard work should be done by its members when the Times and Sunday Times go over to computer setting. It has resisted sharing with sub-editors on the grounds that a large part

of composers' work is in correcting copy.

There is still considerable bitterness within the NGA, and also among the NUJ journalists on the Times who helped arrange the new talks, about the company's largely unsuccessful attempt to print an overseas weekly edition in West Germany. Plans for the weekly—which the company has long wanted to produce—are in abeyance while the new approach is tried.

A spokesman for Times Newspapers confirmed yesterday that the several thousand copies of the first issue that have been printed were not produced on the picketed Turuceman presses in Darmstadt, near Frankfurt.

The manager of Turuceman, a Turkish-language newspaper, said yesterday he believed the limited edition had been printed somewhere in West Germany but the Times will not disclose the new site, in case it decides to print further issues there.

Teachers' pay may be hit by action

By Michael Dixon, Education Correspondent

A LOCAL education authority yesterday warned members of the second biggest teachers' union that they would lose pay if they carried out their threat to work a strict five-hour day from Tuesday onwards.

The warning by the Northamptonshire authority came as the 112,000-member National Association of Schoolmasters and Union of Women Teachers prepared to exacerbate the disruption of schools in England and Wales already resulting from other unions' action.

Schools in about three-quarters of the 106 local authority areas were affected yesterday as the 258,000-member National Union of Teachers continued to extend its withdrawal from non-teaching work.

In addition, many children were sent home at lunch time when members of the 85,000-strong Assistant Masters and Mistresses Association walked out for the afternoon as a "short, sharp protest."

Electricians support concordat after appeal by Chapple

BY ALAN PIKE, LABOUR CORRESPONDENT

DELEGATES to the Electrical and Plumbing Trades Union conference at Brighton yesterday endorsed the concordat between the Government and TUC.

But at Eastbourne, the Amalgamated Union of Engineering Workers national committee unanimously re-affirmed the union's policy of "total opposition to wage restraint policies."

Delegates instructed the executive to stand by this policy in any discussions with the Government and at the TUC and Labour Party conferences later this year.

The 10-day national committee meeting ended with delegates declaring their determination to see a Labour Government returned today.

At the EPTU conference delegates outvoted a motion from the London Airport branch expressing total opposition to any attempt to impose guidelines in wage awards outside the normal process of bargaining between unions and employers.

The conference carried an

executive motion welcoming the concordat and urging unions and Government to co-operate in producing a policy which would lay foundations for economic prosperity in the 1980s.

Mr. Frank Chapple, general secretary, said that if a Labour government was elected it would expect, require, and need the trade union movement to honour the concordat. "It is not going to be sweetness and light all the way. It is going to be painful."

"But just as the Government cannot put all the nation's ills right on their own neither can a single union like our own."

Mr. Chapple warned that if the free collective bargaining motion was adopted delegates would be back in two years' time debating the effects of astronomical inflation. "Free collective bargaining—apart from its effect on unemployment and the economy—has never worked as an instrument of justice. Those who say it does are really not looking facts squarely in the face."

Sir Donald Barron to join FFI Board

Sir Donald Barron, chairman of Rowntree Macintosh, has been appointed to the Board of FINANCE FOR INDUSTRY (FFI) from June 1.



Sir Donald Barron

Dr. R. K. Laird, head of the corporate research and technology department at the headquarters of IMPERIAL CHEMICALS INDUSTRIES in London, has been appointed director of ICI Corporate Laboratory at Runcorn in Cheshire. He will take up his new position in December on the retirement of Dr. D. G. Jones, who has been in charge of the laboratory since 1970. Dr. Laird joined the ICI group in 1950.

Following the acquisition by BURRUP, MATHESON & CO. (HOLDINGS) of the specialist printing division of Trident Group Printers, Mr. Peter W. Barker, managing director of BURRUP, has been appointed chairman of Shaw & Sons, Lewis Coates & Lucas, and Holbrook & Gratton. Burrup is part of the Extel group.

Mr. C. W. G. Allen and Mr. D. J. Conolly have been appointed to the Board of HILL SAMUEL AND CO.

Mr. Brian P. Shaw is to become chairman of FURNESS WITBY & CO, and Sir Ralph Raitment, deputy chairman, after the annual meeting on June 23. Sir James Steel, the present chairman, and Mr. Geoffrey N. A. Murrant, deputy chairman, retire from the Board on that date. At the same time Mr. R. B. Sloker retires by rotation and will not seek re-election as a director. Mr. Shaw will continue as managing director as well as taking over the chairmanship of the company. Sir Ralph will be remaining non-executive.

Mr. R. W. Love has been appointed to the newly-created position of head of taxation, FISONS.

The Secretary for Employment has appointed Mr. Noel Bond-Williams as chairman of REM-PLOY for two years. He succeeds Mr. Allen Greenwood, who has been chairman since 1976. Mr. Bond-Williams is replaced as vice-chairman by Mr. Leslie Pincott, who was managing director of Esso until he retired from that post in 1977.

Mr. John Jebb, senior executive, treasurer's department, international banking division has been appointed to the new post of chief international executive, special funding projects, international business, NATIONAL WESTMINSTER BANK. Mr. George Cahles has become head of strategic invest-

ments, international business. His successor as chief international executive, UK banking operations is Mr. Robert Angus, chief international executive for Asia and Australasia/Africa. Mr. Angus has been replaced by Mr. Roger Flemington, senior international executive, UK region of international banking division.

Mr. H. B. Stokes has been appointed group director personnel and industrial relations on the Board of GEC, BASSETT HOLDINGS since 1974. Mr. Stokes has been manufacturing director of Airfix Industries (Meccano).

Mr. A. H. Farquhar has retired as senior partner of BINDER HAMLIN and has been succeeded by Mr. Peter Lane.

Mr. Francis Bension has resigned from the chairmanship of the STATUTE LAW SOCIETY. Mr. H. H. Marshall, a founder member of the council, has consented to serve as chairman, for a limited period.

Mr. Richard Lovell has been appointed group marketing manager for LEX TRANSPORTATION.

Mr. Adrien Pettit, chairman and director of C. Brandauer and Co., has been elected president of the INSTITUTE OF MANAGEMENT CONSULTANTS in succession to Mr. John Bullock.

Mr. Colin Briars has been appointed marketing director of OTTERMILL, a member of Westinghouse Electric Group.

Mr. Lionel Altman, managing director of EMERAY, has been appointed chairman.

Disputes at TV magazine settled

TV TIMES' management said yesterday that it is now looking forward to returning to normal publication after a long period of disruption, although copies will not be available this week.

During the past five months more than 25m copies of TV Times and £4m in advertising revenue has been lost as a result of disputes. One involved the National Graphical Association at Eric Beemrose, Liverpool, and the other, TV Times National Union of Journalists members. Distribution was also hit during the lorry drivers' strike.

Discrimination case victory

AN INDUSTRIAL tribunal yesterday upheld a claim by two women cleaners at the Daily Express in Manchester that they had been discriminated against on grounds of sex.

The women, part-time cleaners, were not offered general cleaning vacancies. The Express said the objection was on the grounds of modesty and privacy.

Reporter in picket line attack freed on appeal

FINANCIAL TIMES REPORTER

JOURNALIST Stephen Peter McKenlay, aged 22, jailed a week ago for attacking a policeman during a picket line flare-up in Bristol, was freed by the Court of Appeal in London yesterday.

McKenlay, who had head-butted the policeman after leaving the picket line at the Bristol United Press building, had the balance of his three-month sentence suspended for two years.

Mr. Justice Watkins said McKenlay got his "just deserts" when he was jailed by Judge Peter Fallon at Bristol Crown Court for assaulting PC Jonathan Mattick, causing him actual bodily harm.

The judge added: "On the other hand, it is true to say that we are dealing with a young man of good character and of promise in his chosen profession.

"We have no desire to halt a promising future or to see it damaged irreparably. He has now spent eight days in custody and if that doesn't teach him a lesson, nothing will."

McKenlay was arrested on January 8 during the provincial

journalists strike called by the National Union of Journalists. He was one of a number of journalists who left the picket line to seek to prevent newspaper vans entering or leaving the Bristol premises.

The judge said it should be clearly understood that being part of a picket does not confer any right upon a member of that picket "to behave unlawfully against property or any person—such as a police officer—who has a right to go about his business unmolested."

"We wish to make it perfectly plain that this court sets, or endeavours to set, standards which should be followed, especially in cases where violence is offered and perpetrated upon the police."

McKenlay's counsel handed testimonials to the court from the editors of the Stafford Newsletter — McKenlay's previous employers and the Western Daily Press at Bristol.

Both editors praised McKenlay's abilities, but the Bristol editor said the reporter's future at Bristol was undecided at the moment.

Comparability

Both unions already taking action are angry over the Government's blocking of a reference of the teachers' 36.5 per cent pay claim to the Pay Comparability Commission.

But the five-hour day threatened by the NAS-UWT has a different target. This union opposes reference of the claim to the Comparability Commission, and wants the pay dispute sent instead to normal arbitration.

Mr. Terry Casey, general secretary of the NAS-UWT, has said he will take to court any local authority which cuts his members' pay because of the five-hour working.

He believes that a "contractual" working year of 190 five-hour days has been legally established for school-teachers.

Last year his union pressed many education authorities into declaring that lunch-break and after-school activities were not part of teachers' contractual duties. A similar ruling was also made recently by Lord Denning in the Court of Appeal.

Pay review delay angers doctors

FINANCIAL TIMES REPORTER

DOCTORS reacted angrily yesterday to the Government's decision not to publish a Review Body report on their pay before the general election.

A British Medical Association spokesman said: "It is a disappointment that the outgoing Government has decided, after all, to postpone publication."

"As soon as the new Government is known, we shall renew our pressure for immediate publication and for implementation of this year's phase of the award, with updating."

"We are equally concerned to see the Review Body pricing

of the proposed new consultant contract so that there can be full consultation and discussion among the profession as quickly as possible."

The doctors, who are reported to have asked for pay rises of about 20 per cent, had hoped the Government would publish the report so that they could receive their increases without delay. Last year's award gave them rises of 30 per cent, to be paid in phases by 1980.

Mr. David Ennals, Health Secretary, said the Government had not had time to give the report the full attention it required.

Steel men reject action

MORE THAN 3,000 members of the Amalgamated Union of Engineering Workers at the British Steel Corporation plant in Corby, Northants, are refusing to start a national overtime

ban in pursuit of a wage claim. They say that stopping overtime will cripple steelmaking, which is planned to be phased out at the plant at a later date as part of a BSC economy

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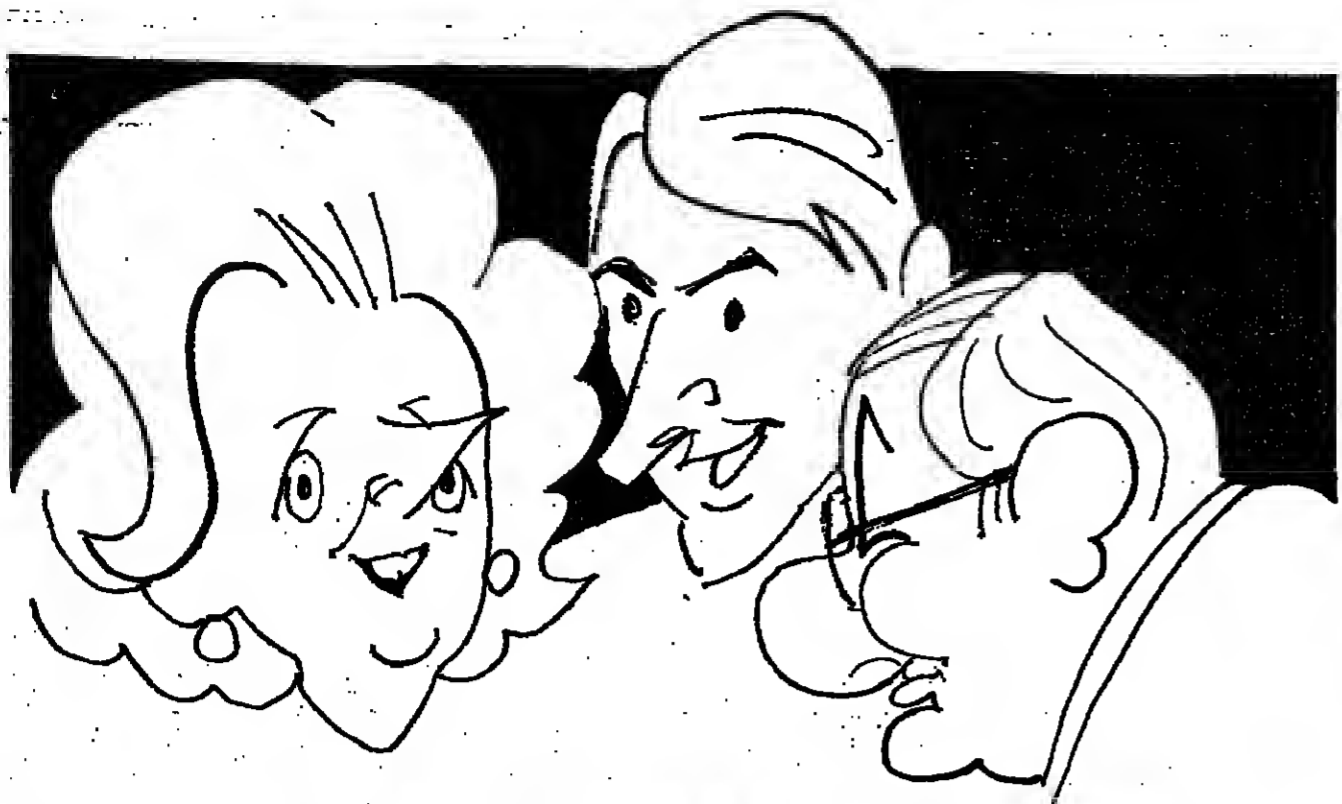
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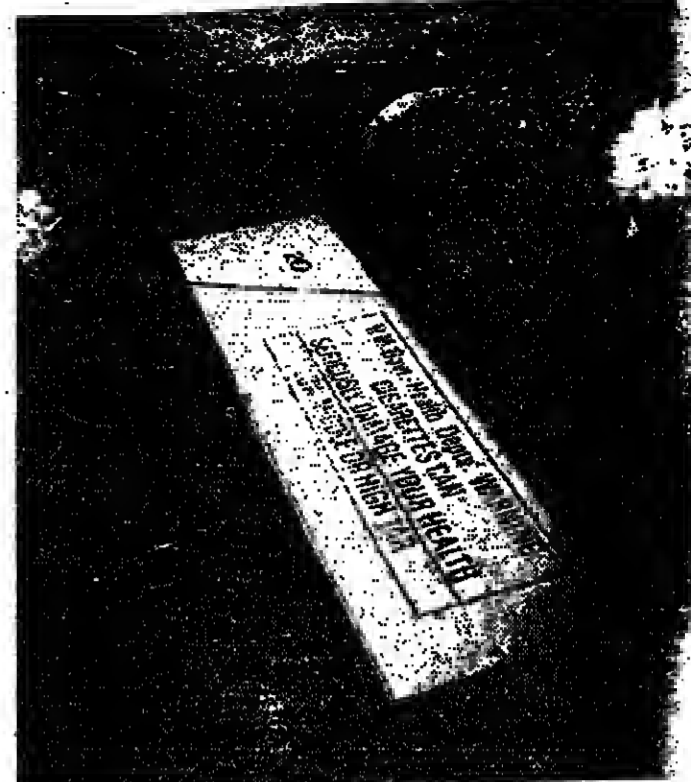
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Left: This Victory V advertisement for Barker and Dobson has won the 1979 poster award from the Designers and Art Directors Association. The agency was Boase Massimi Pollitt Univas. Top-voted public service poster was Hall



Right: 'Grave' (right) for the Scottish Health Education Unit. The D & AD exhibition is currently on show at the Central School of Art, Southampton Row, London, and will later go to Edinburgh, Seoul, Hong Kong, Kuala Lumpur, Melbourne and Sydney.

Charles Barker raises income 31%

BY MICHAEL THOMPSON-NOEL

THE UK ADVERTISING boom, which some may view as a symptom of the international communications glut, continues to weave a magic spell over the results of Adland's top groups. One of the biggest is Charles Barker ABH International, whose dogged growth over the past decade has given it a large stake in consumer, corporate, financial, recruitment and technical advertising as well as PR and management selection.

The group has just reported some very bullish figures. Total income in 1978 rose by 31 per cent to £8.93m. Profit before tax and extraordinary items more than doubled to £21,000 from £421,000 in 1977. After tax, dividends and other items, the amount retained to finance future growth was £211,000 against £71,000, says chairman Julian Wellesley.

On current form, he expects turnover this year to reach £52.7m against £44.5m.

Charles Barker ABH International operates through a joint venture holding company, Ayer Barker Hegemann International, owned one-third by itself, N. W. Ayer of the U.S. and the Hegemann agency in Germany. The network's major coup last year was wresting Pan Am's international \$30m advertising account.

The major contributor to advanced income at Charles Barker in London last year was Charles Barker Recruitment. Benefiting from a cyclical upturn in the recruitment market and attracting more than 50 new clients, it produced a turnover of £9.2m and raised its income by 64 per cent. Ayer Barker Hegemann, the group's consumer advertising agency and its largest division, increased its billings by 30 per cent to £12.2m. Apart from Pan Am, new clients included Avon and Mercedes Commercial Vehicles.

Charles Barker City, the leader in UK corporate and financial advertising, is aiming for a turnover this year of £10.2m against £8.3m. And Charles Barker Lyons, described as Europe's largest PR consultancy, improved its fee income at a net annual rate of more than £200,000 to over £1.2m. It expects an 18 per cent increase in revenue this year.

In his review, Mr. Wellesley refers to the way in which companies are "inexorably becoming less free to market their products and services."

He says there has never been a greater need for large organisations to ensure their policies are understood by employees, customers, suppliers, investors and those who influence them. Openness is becoming an objective in itself. "At the same time, social attitudes and values are becoming more fluid."

He says it is becoming increasingly difficult to draw a line between the obligation to recognise and observe the social climate, and on the other hand the need to resist fundamentalist attacks on the con-

cept of competitive marketing which may be politically motivated rather than concern for the consumer.

"In any situation of restriction on brand marketing, the perceived character of the manufacturing company will become increasingly important: the less a company can say about its product the more it needs to say (or make known) about itself."

He forecasts a much greater need for the integration of brand marketing, PR, personnel and finance.

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Reg. Address: Bracken House, 10 Cannon Street, London EC4A 3DF, Reg. No. 005690.

WHO'S MOVING INTO NO.10?

No. 10 Throgmorton Avenue. That's the address of Security Trust's new branch in the City which recently opened.

Security Trust has its headquarters in Birmingham and is a wholly owned subsidiary of America's Beneficial Corporation, one of the largest financial groups in the world.

The move is the logical outcome of continuing growth in the Midlands by an institution dealing in all aspects of banking.

The Manager Bill Ward and his staff will be delighted to meet clients old and new to discuss commercial and personal loan arrangements or deposit facilities at very attractive rates of interest.

Apart from representing all of Security Trust's interests in the City No. 10 Throgmorton Avenue will be an important new address for commercial business and commercial lending.



Security Trust Company Limited, 10 Throgmorton Avenue, London EC2N 2DL. Tel: 01-638 6541/5
Head Office 9 Temple Street, Birmingham B2 5BS.

كسبنا من الأصل
But it called for Holland
New York, N.Y. and
control.

THE MARKETING SCENE

EDITED BY MICHAEL THOMPSON-NOEL

The Conservatives' use of full-scale media advertising reflects wider background trends in the way advertising is being used. MICHAEL THOMPSON-NOEL explains

A brand by any other name . . .

WILL MRS. THATCHER win the election? Were her chances helped or hindered by the advertising campaign on which the Conservatives chose to spend a sum variously estimated at up to £2m? Was that astonishing Conservative election broadcast—the one that parodied a track and field meet—worth a fraction of its cost? Is the UK electorate anywhere near the stage where it wants its politics packaged and cosmetised à la Saatchi?

By late tonight, the swing-meters may have started to provide part-answers to questions like those, but the Tories' use of advertising in the election campaign has at least reinforced the obvious: that advertising is merely a form of communication; that selling is selling and that at the salesman's level there is very little to distinguish a political message from a bar of soap.

There is nothing static about advertising, as a look at its users and uses and aims and motives testifies. There is no reason, for example, why at some point in the middle-distant future, industrial relations disputes will not be waged and settled almost exclusively via the medium of advertising (there is nothing cost effective about a full-blown strike).

The tables printed here tell part of the story. They were compiled by Media Expenditure Analysis and are quoted by Brian Downing, marketing director of Mirror Group Newspapers, in the April issue of Admap.

At the brand level, the most heavily advertised names in Britain ten years ago included

1969	1978	
	1969 (£'000)	1978 (£'000)
1. Govt. Depts. and Services recruitment	13,613	27,165
2. Chocolate confectionery	10,967	27,764
3. Department and Retail Stores	10,792	86,805
4. Cigarettes	10,775	17,760
5. Washing powders (heavy duty)	8,122	7,278
6. Direct response/mail order	7,215	30,599
7. Beer	6,244	21,903
8. Home heat	5,715	9,414
9. Motor cars	5,234	38,962
10. Chain grocery and Co-op	4,989	30,942

Source: MEAL

Ariel and Radiant and Persil and Weetahix and Kellogg's Corn Flakes and Stork and Daz. Not one of them featured in the MEAL Top 25 in 1978. Instead, the emphasis had switched to the retailers, so that the most heavily advertised brands today are dominated by names like Boots and the Co-op and Woolworth and Tesco.

The changing face of advertising shows up most clearly when one looks at product groups, where department and retail stores, which ranked third in 1969, now rate No. 1. In constant money terms they spent 173 per cent more on advertising last year

than they did in 1969. Motor car advertising is up substantially (155 per cent in constant terms). So is spending by chain grocers and the Co-ops, and by direct response and mail order businesses. Chocolate confectionery is roughly holding its own, though in order of rank it has fallen from second to fifth.

Among categories, the "prestige, corporate and other industrial" group is making headway. It's now eighth ahead of cigarettes and only fractionally behind beer. In 1969 money terms, spending in the corporate category improved by only 45 per cent between 1969 and 1978, from £4.8m to £7m, but it is a category that is bound to continue expanding, particularly given the pressures on brand advertising referred to on the previous page.

According to Mr. Downing: "It is interesting to see among the top 25 products a bank, in this case the Midland. The whole financial area has taken on a totally different complexion since the days of the marble mausoleums and is now very much a High Street business aimed directly at the mass market."

In 1969, Government departments and Services recruitment were the overall top-ranked category with a spend of £13.6m. Last year this category fell to sixth place. Although it accounted for £27.2m worth of advertising expenditure, that sum was only worth £9.5m in 1969 terms.

There is nothing untoward in all this. It doesn't indicate

1978	1978	
	1978 (£'000)	1969 (£'000)
1. Boots	6,704	265
2. Co-op national	4,586	1,004
3. Tesco	4,548	438
4. Woolworth national	4,497	317
5. Co-op local	4,266	1,410
6. Currys store	3,689	328
7. MFI furniture centre	3,492	209
8. Williams furniture store	2,669	14
9. ASDA	2,652	—
10. C & A	2,649	1,465
11. Allied Carpet store	2,455	124
12. Fine Fare	2,441	539
13. Esso corporate	2,436	42
14. Comet warehouse	2,408	19
15. P.O. call stimulation	2,293	935

the demise of manufacturing industry or even of life as we know it. It merely indicates the changing uses to which advertising is put.

In any case, it is unprofitable to stress the speed of such change. Harry Henry, for example, of the Cranfield School of Management, argues that although there are changes at work, most happen only slowly. The reason for this, he told the Admap conference in Paris last autumn, was that while advertising policies in individual product fields and among individual companies did change, and often quite rapidly depending on differ-

ent marketing situations, alterations in the relationship between advertising and mereadvertising push, changes in fashion, changes in the applied skill of different media salesmen and so forth, there appeared to be a sort of providence at work that kept the general picture relatively stable.

"If you don't like the theological concept of providence intervening in this, think of it in psychological terms as a collective unconscious, which might in any case be a better way of describing how so many advertising decisions are taken."

Southern have some real surprises in stores.

If you think the Southern Television area is full of sleepy high streets, and precious little else, then think again.

Because of the spending power reflected in our audience profile, ours is a thriving and competitive retail area.

Already we have twenty-one grocery superstores from 25,000 square feet upwards, like ASDA of Gosport, the Co-op at Broadstairs and Carrefour at Eastleigh; and there are many new developments on the way.

If you think to move your products, Southern Television can give you the Superstores and the people to fill them.

That's the Southern difference.

SOUTHERN TELEVISION

For further information contact Brian Henry, Marketing and Sales Director, Southern Television Limited, Glen House, Stag Place, London SW1E 5AX. Telephone: 01-834 4404.

THERE ARE 1,001 REASONS WHY THE PORTMAN IS ONE OF EUROPE'S FINEST BUSINESS HOTELS.

- For instance, you get
- Teletext, the TV press-button information service (in nearly all rooms)
- Prestel, the even more advanced small-screen service (we're the first hotel in the world to provide it)
- Full secretarial services (for the executive who just can't get away from it all)
- Telex, cable, telegraph and teletypewriter facilities; car hire, airline and theatre bookings (all conveniently in the main reception lounge)
- A complex of suites and a versatile 3-in-1 ballroom (for the top-level conference, the key presentation, the grand banquet)
- A handy pocket-size radio page (so you can hit the town confident that important messages will be passed to you)

Six good reasons. Then what about the other 995? That's the number of discerning executives, give or take a dozen or two, who every week make The Portman their London base. They keep us on our mettle. And that's why the standards of service and comfort they look for can't be bettered anywhere.

For all you want to know on room bookings, contact Esther Carter on 01-486 5341 (Telex 261526) The Portman Hotel, Portman Square, London W1H 9FL

THE INSTITUTE OF MANAGEMENT CONSULTANTS Professional Register

The Professional Register is a record of Members' chosen areas of professional practice, maintained by them as an international service to industry, commerce and government.

Clients considering the use of management consultant assistance should contact the Registrar who will put them in touch with appropriately qualified Members - without obligation or charge.

Registered Management Consultants have the depth of business specialist and consulting expertise required of full Members of the Institute and are governed by the Code of Professional Conduct.

To make contact with a Registered Management Consultant or simply to learn more about the IMC Professional Register please write or telephone for Information Sheet RI/79.

To the Registrar, IMC Professional Register, 23-24 Cromwell Place, London SW7 2LG. Telephone: 01-584 7285/6.

Please send me _____ copies of Information Sheet RI/79.

Name _____

Address _____

First motorised pocket camera introduced by Agfa-Gevaert

AGFA-GEVAERT, which says it is Europe's largest photographic company, is introducing the world's first motor pocket camera, the Agfamatic 901 and 901E, in Britain over the next month. Agfa is staging its biggest ever British promotion, a £650,000 package that includes national TV advertising.

Agfa is seeking to consolidate its position in the £350m UK consumer photographic market, particularly vis a vis Kodak. Managing director Gustav Ahrens says Agfa's total UK turnover last year (not only in consumer sales) was £50m.

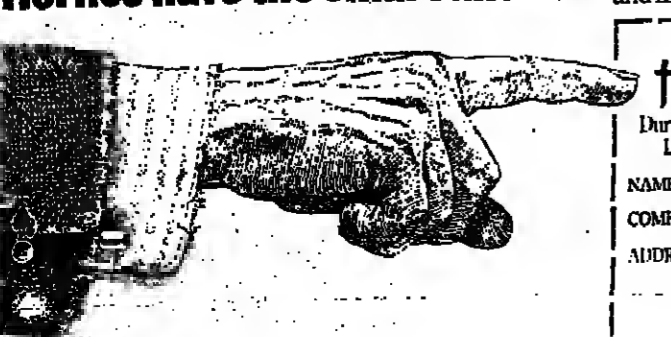
The Agfamatic 901 will retail at around £32, bringing it to within mass market range. Agfa's TV campaign, for which more than £500,000 has been allocated, starts with a 30-second spot during the FA Cup Final and continues until July 20 in all ITV regions.

THE POSTER BUBBLE WILL BURST

If costs are not reduced and service and Trade Practices improved, Advertisers and Agencies wishing to help us bring about improvements should write to:

MULTIMARK LTD., 37 Roland Avenue, Nuthall, Nottingham.

If the taxman's running your best people ragged, Hornes have the smart answer.



Are key men damaging the company image by dressing according to their present means? Hornes Menswear Scheme (HMS) puts Britain's smartest business wear on their backs at no direct cost to them, and much profit to you.

For details contact: Jane Scherrer, HORNES HMS DEPT., Duriga House, King Edwards Road, Hackney, London E9 7SG. Telephone 01-866 2106

NAME & POSITION _____

COMPANY _____

ADDRESS _____

TEL. _____

From May 6th, think of it as the Scunthorpe Gazette & Argus.

Or any other local paper, for that matter. Because May 6th is the day when the Observer Colour Magazine is going regional.

For the first time, you will be able to reach ABCs in any of 12 ISBA areas through a national newspaper.

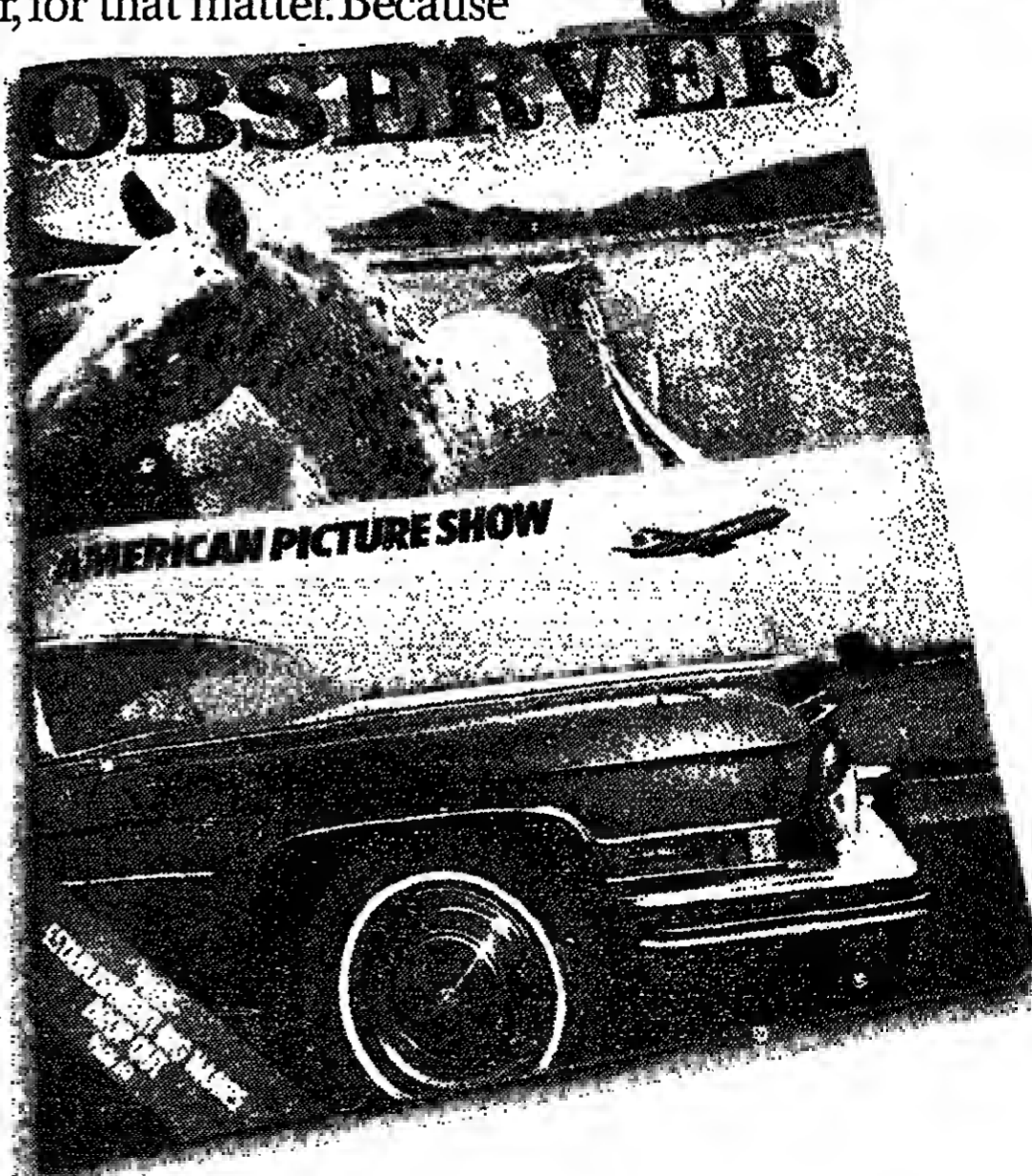
Suppose you want to test market a product. Until now you would have been hard pushed to come up with a regional press medium.

Certainly some national publications offer regionalisation. But none offer a choice of colour or mono weekly in any of 12 ISBA areas.

It means you can upweight your campaign in specific regions.

If you're a regional advertiser you can now afford to use the Observer in any one area to talk to your specific target group.

You can test copy in one area. Or test the effectiveness of a burst. Next time you think of using the Scunthorpe Gazette & Argus, think of the Observer. From now on, they're not a million miles apart. **THE OBSERVER**



JOBS COLUMN, APPOINTMENTS and BUSINESS OPPORTUNITIES

Ups and downs • Six opportunities abroad

BY MICHAEL DIXON

IT IS a pity that job-protecting immigration controls have pulled so much since somebody wrote "Go west, young man," in the newspaper of Terre Haute, Indiana, 128 years ago. For the phrase would still seem sound advice to ambitious managerial types, according to latest reports of demand for executives in the United States and the United Kingdom in the first quarter of this year.

Economic forecasts, in both countries are on the gloomy side. But in the case of the U.S., that merely heightens the breeziness of the commentary on the manager-market, lately published by New York-based accountants Arthur Young.

Over there January-March showed "nationwide" demand for executives up 17 per cent on that of the corresponding quarter of 1978. General managers enjoyed the greatest increase: 72 per cent in terms of Arthur Young's index which is based on systematic sampling of job advertisements in major American business publications.

Specialists in production and analogous operations did next best with a rise of 58 per cent. The only category of U.S. managerial workers to suffer a fall in demand was engineering and science executives. Their index showed a 28 per cent drop from the position of the opening quarter of last year.

For managerial types working

in the UK, however, there is no such comfort from the MSL Index which is based on job advertisements appearing over here. Even when adjustment is made for the regrettable non-appearance of the *The Times* and *Sunday Times*, the best that MSL can show is a fall in demand for managers and comparable specialists of about 7 per cent from the level of January-March last year.

One can almost hear the recruitment consultancy's managing director, Garry Long, gritting his teeth as he commented:

"Of particular note was the decline in the number of sales appointments, a category whose movements usually foreshadow other economic trends in the country."

And the Long face no doubt grew longer still as he added that, if demand were to continue in the cyclical pattern shown by the index since it was instituted in 1958, "the duration of the present downswing is likely to exceed two years."

But where the fortunes of readers of this column are concerned, the gloom of G. Long has not altogether disheartened me. I still refuse to accept that history necessarily rules over the future to the extent that previous trends will be repeated regardless of decisions such as those to be made in the UK elections today. "If you

don't like your life, you can change it," said H. G. Wells. And while most of us do not seem to have been all that successful at doing so recently, I insist on hoping that we may be soon—although mainly, perhaps, because it's my birthday.

Any much firmer grounding for the resistance-to-pessimism our readers' behalf is denied by the U.S. and the UK indexes' evidence on the state of demand for managers from those countries to fill jobs elsewhere in the world.

Here demizens of the UK might find reason for churlish glee at the expense of their American counterparts. As exhibited by the Arthur Young index the overseas demand plummeted by 36 per cent in January-March from the level of the final quarter of last year. Over the same period the international call on the UK market rose by more than 40 per cent.

But the first quarter's overseas demand for Britons was nevertheless 16 per cent lower than that of the first three months of 1968. Mr. Long observes that three fifths of it was made up of jobs in engineering and activities related to construction, although the balance was moving from primary building work to the secondary stage of development.

About three fifths was also made up by jobs in the Middle

East and Africa. But Western Europe showed a surely welcome perkiness with a 10 per cent share of the total.

Brussels

AS IT HAPPENS Western Europe—precisely, Brussels—is the base for the first three specific offers today. All are in training, and are being brought to market by Geoffrey King of Cambridge Recruitment Consultants.

Since he may not name the employer, he promises in honour any applicant's request not to be identified to the client until specific permission has been given. (The same goes for the other head-hunter mentioned later.)

Mr. King's trio are needed to set up effective training programmes connected with a new sophisticated product line from a U.S.-based multinational. One will be a sales training manager concerned with programmes to teach fellow employees how to sell the product. The second will be a product training manager concentrating on ways of training buyers how to use it. Both will be paid the equivalent of £20,000.

The third will be in charge of the others, entitled international marketing training manager, and paid upwards of £25,000. All will be applying the

training world-wide, and so will travel considerably. All will need familiarity with the marketing of electronic systems of high capital cost. All will have first-hand knowledge of preparing and running associated training programmes. And may the best person be the leader of the team.

English is the only language deemed essential. But fluency in other tongues would help. Written applications only; outlining career, should be sent to Mr. King at La Rose Crescent, Cambridge CB2 3LL.

Mixed batch

FINALLY here is a hatch from head-hunter John Fulford of Grosvenor Stewart. Written applications to him at 15 Tilehouse Street, Hitchin, Hertfordshire, or by telex to 25102 Chacom G; GS.

The first job, based in Switzerland, is for an employment manager at the "regional" headquarters of an American-owned pharmaceuticals group, dealing with recruitment and development of management in Europe, Africa and the Middle East.

At least five years experience in a similar role is required, the age indication being 30-early 40s. And while the group would prefer a British recruit, the job will require skill in coping with sceptical line managers of

various nationalities. English is the only essential language. Pay of £25,000 to give living standard equivalent to UK £12,000-£14,000.

Irish candidates would have an advantage in Mr. Fulford's second job, for a director to run the consumer-related operations of a technically advanced market research agency in booming Dublin. Copious experience in the same field is required.

Responsible to the agency's managing director, the newcomer will have half a dozen staff. Salary £ (Irish) 12,000 or so. Perks include prospect of equity share.

Last in the Grosvenor Stewart batch is a distribution manager's job based in Frankfurt with a big U.S. group in scientific instrumentation and the related software. Products are made mainly in the U.S. and the Far East. The recruit will be responsible for shifting them safely and

efficiently, often by air, to and from distribution centres and to customers in Europe, the Middle East and Africa.

Experience of large-scale, international and computer-aided physical distribution systems is essential. So is fluency in English and German. Age indicator 30-40. Salary equivalent to £25,000.

There will be no Jobs Column on Tuesday.

A large and long-established internationally operating company, manufacturing and marketing fast-moving consumer goods and having a number of plants in Indonesia, invites applications for the position of

GENERAL MANAGER

The person we are looking for must have:
—an Indonesian national, between 40 and 45 years of age;
—preferably a university graduate or equivalent;
—familiar with international business, attitudes and practices;
—at least five to ten years' experience in a senior management position, preferably with experience in all areas of management with emphasis on one or more functions with large national/international company;
—fluent in written and spoken English.

The successful candidate will report to the Board of Directors and work in close co-operation with the company senior managers.

His responsibilities include:
—to initiate corporate planning for approval by the Board;
—to direct all company activities, and to ensure the achievement of company objectives;
—to maintain relationships with the government, industry and the public.

Conditions of employment are excellent. A very attractive and generous remuneration package will be provided for the successful candidate. Fringe benefits will be fully in line with the expectation of such a top management appointment in internationally operating companies operating in Indonesia.

Persons who consider they have the desired qualifications and proven successful record of achievement in their career to date, are invited to forward their letter of application in English, together with a detailed resume of their career development, highlighting their qualifications, experience and current earnings, together with a recent photograph soonest to the following address:

Institute for Management Education and Development

Selection Department, 9 Menteng Raya, Jakarta

MERCHANT BANKING — £7,000-£10,000

A number of our clients are seeking recently qualified accountants for their Corporate Finance Departments and young Bankers with at least two years' relevant experience for their Corporate Banking Departments. As the appointments offer opportunities for only first class British and U.S. banks and are mostly concerned with the marketing and negotiation of loans to U.K. or international companies, only candidates of high calibre with good academic qualifications should apply. Please write or telephone: T. C. H. Mearns, Boreford Associates Ltd., Cross Keys House, 66, Moorgate, London, EC2R 2EL. Tel: 01-428 7646/7.

Treasury Management Oil Industry London SE1 c.£8000

Conoco requires two young Qualified Accountants, preferably graduates, with some commercial or industrial experience, to lead sections of its UK Treasury Department.

The opportunities, which have both arisen as a result of internal promotion, involve a high degree of decision making in the financial field. One will be primarily responsible for forecasting and managing the company cash flow position, and the other will work closely with the Marketing Division in appraising, monitoring and authorising Marketing investments.

We shall be looking for accountants who have the ability and confidence to back their own judgement given the risks inherent in a major oil company's business.

In addition to a competitive salary we offer benefits which include a non-contributory pension scheme, interest free season ticket loans, £1 per day LV's, 4 weeks annual holiday and pleasant working conditions in our modern head office close to Blackfriars and Waterloo stations.

Please write with full career details and salary progression, to:

Mr. Keith Williams, Personnel Officer, Conoco Limited, Conoco House, 230 Blackfriars Road, London SE1 8NR.



Agency Director (Designate) Age 30/35 London W1

A small, well founded and recognised advertising agency, our client's business is profitable and growing in line with pre-determined targets. It is now necessary to enlarge the management team to service further expansion, aimed at doubling current billings within a realistic period.

An experienced Account Executive with a medium sized firm, e.g. biased agency will find this opportunity attractive. Previous involvement in total marketing activities is considered essential and there must be a demonstrable record of new business success.

Contributing immediately to policy formulation and the development of the firm, personal performance will be the sole criterion determining an appointment to the Board inside 12 months, with an equity stake.

Salary is not a critical factor but initially will be negotiable in the £10,000/£12,000 p.a. range. There is a car and other benefits.

In the strictest confidence, please write briefly in the first instance to: Peter Rolandi, (Ref 948) Managing Director.

Alliance Management Consultants Ltd. 84-86 Baker Street, London W1M 1DL. Tel: 01-487 5761 (24 hours)



AGRICULTURAL TRAINING BOARD

Director

to succeed the present incumbent who is retiring

The Board's services embrace 600,000 people in the agricultural and horticultural industries, in harmony with national policy, its task is to maintain and improve training standards and manpower planning, develop new concepts and provide comprehensive plans for the training of the manpower in the industries for which it is responsible. The Board enjoys a high reputation for its progressive and practical policies.

The Director advises the Board, implements its policies and directs its training and other support staff. In collaboration with the Chairman he/she also represents the Board at top official level with the industry's organisations (including agricultural education) and also with the Ministry of Agriculture and other Government bodies.

The post requires a combination of intellectual breadth, personal stature, business acumen and a strong management record.

Candidates aged up to 55, of graduate level and with backgrounds of distinction and repute, must have had substantial managerial/financial experience at a senior level in industry or the public sector. Some experience of agriculture would be an advantage.

Starting salary negotiable in the range £13,500 - £14,500 plus car, contributory pension scheme and other benefits. Location - Beckenham, Kent but some travel to keep in touch with all levels of the industry is involved.

Please write, in complete confidence, giving career and salary details to:



Sir George Huckle, O.B.E., Chairman, Agricultural Training Board, Boume House, 32/34 Beckenham Road, BECKENHAM, Kent, BR3 4PB.

ERI Specialists in recruitment for the Middle East

Financial Controller

The Gulf c.£17,000 tax free

● This career appointment is with a well established and diversified company based in the Gulf.
● The Controller will report directly to the Chief Financial Executive and be responsible for establishing and operating budgetary control for all company sectors and for monitoring their performance. He will also provide accounting assistance in investment and capital expenditure appraisal.

● Candidates probably aged 30-35 should be qualified accountants (ACA, ACCA, CMA) who have wide financial and commercial experience and who can fully contribute to the overall effectiveness of the company operation. Previous overseas experience will be an advantage.

● In addition to generous basic salary benefits include bonus, free accommodation, car and generous home leave. Ref: R/OB/FC

Please write, quoting reference and giving details of age, qualifications, experience, current salary and domestic circumstances to: Mike Lebbell, Executive Resources International, Management Consultants, 87 Jorjua Street, London SW1Y 8JD. Short list candidates will be notified within three weeks.

UNIVERSITY OF SURREY APPOINTMENT OF UNIVERSITY SECRETARY

The University invites applications for the post of University Secretary and Clerk to the Council. The present holder retires on 30th June 1979.

The University Secretary is one of the two senior administrative officers; his responsibilities include the administration of the University's finances, oversight of all its legal and contractual obligations, personnel management and the management of all domestic services and trading activities.

Applicants should have considerable administrative experience, preferably but not necessarily in the field of higher education.

The initial salary will depend upon qualifications and experience and will be not less than £14,000 per annum. Superannuation under USS conditions.

Applicants are invited to write to the Vice-Chancellor (Ref. SA), University of Surrey, Guildford, Surrey GU4 5XH; from whom further particulars may be obtained. Closing date: 18th June 1979.

MIDDLE EAST BUSINESS JOURNALIST

Based in London

International Business Information Service seeks experienced Middle East Specialist to join its London Bureau.

Send particulars to—

Editorial Director, Business International, S.A., 12-14 Chemin Rieu, CH-1211 Geneva 17, Switzerland.

Young Company Accountant £7-8000+Car South East

This is a rare opportunity for a young qualified accountant to assume full accounting responsibility for an autonomous subsidiary of a major UK Group. The market has already been established and new manufacturing facilities are coming on stream during the year.

The person appointed will play a key role in the top managing team and will be involved in the total business activity of the operation. The ability to contribute in the short term is particularly important as is the requirement to design and install effective management information control systems.

Age range is likely to be 26/30; previous experience in a manufacturing and marketing environment will be an advantage. Brief but comprehensive career details to G. J. Cassell, New Appointments Group, Personnel & Selection Consultants, 5 Park Road, Sittingbourne, Kent. Tel: 0795 73431.



Financial Controller

W. London c.£12,500+car

Our client is a privately owned group which is currently making a major impact in its sector of the travel industry.

As a result of its recent and project growth, a qualified accountant aged up to 35 is required to provide the Chairman and the Board with accurate and meaningful financial information. This is therefore an opportunity to play a constructive role in the management of a company operating in a fast moving and entrepreneurial environment where there are definite prospects of a Board appointment with the group which will continue to grow and diversify.

Please write with full curriculum vitae and daytime telephone number to John P. Steigh, ACCA quoting reference JS/433/FCF.



125 High Holborn London WC1V 6QA 01-405 3499

سكزا من الاصل

Handwritten note: *Mr. Nis 150*

FINANCE—£15,000 & £10,000

ORT is the world's largest private training organisation, with an expenditure budget of £40 million pa. It has 700 institutions in a dozen countries, financed by voluntary contributions, providing vocational and technical education. It has operated technical assistance programmes, sponsored by governments or aid agencies, in 33 developing countries. ORT is a Jewish organisation, now increasingly serving all races and ethnic groups. The central administrative office of ORT will move from Geneva to London NW3 later this year. A new Director of Finance & Administration (ref. FA/FT) is to be appointed, whose role will focus on strategic planning, budgeting, treasury management and organisation. Also needed is an internationally-minded Chief Accountant (ref. CA/FT) to take complete responsibility for the Accounts Department, for costing and financial control, and for the development of the management information system.

Please write, in confidence, with details of career and present remuneration, quoting appropriate reference, to:

ORT Mr Peter Taaffe Finn, ORT, Whitehall Court, London SW1A 2EL. Tel: 01-839 2158.

Committee Secretary to £15,000

The Institute of Chartered Accountants — London

This very challenging and influential position is that of the head of the Parliamentary and Law secretariat at the Institute of Chartered Accountants in England and Wales. Responsible to the Technical Director of the Institute the successful candidate will head a small qualified team. This team services a network of specialised sub-committees which prepare and follow through joint representations to Government and other organisations on behalf of the six major accountancy bodies in the name of the Consultative Committee of Accountancy Bodies (CCAB). The secretariat also services the Institute's own Parliamentary and Law Committee which, among its functions, reviews the joint activities on behalf of the Council. The secretariat works closely with the Committee chairman.

The work is extremely varied and technically stimulating. Some of the main subjects covered are tax, company law, government accounting and insolvency.

The successful applicant will meet and liaise with influential people in Parliament, Whitehall and the City, so that an ability to communicate at a high level is essential. Candidates must be suitably qualified and are likely to be aged 30-35, although younger applicants with above average experience will be considered. The position falls within a salary grade ranging between £13,125 and £15,489. Ref 1118/FT

Apply to R. P. Carpenter, F.C.A., F.C.M.A., A.C.I.S., 3 DeWalden Court, 85 New Cavendish Street, London W1M 7RA. Tel: 01-636 0761.

Phillips & Carpenter
Selection Consultants

Corporate Finance Executive

London
Around £8000 subsidised mortgage

We are a leading international composite insurance company and have an opportunity for a young Corporate Finance Executive within the International Corporate Finance and Treasury Department of the International Finance Division.

The corporate finance function within Commercial Union plays a key role in determining the company's strategy in a broad range of financial areas. The successful applicant will probably have a degree and/or an accounting qualification, but above all will be able to demonstrate flair, imagination and an ability to communicate at all levels.

Starting salary, which will depend on qualifications and experience, will be around £8,000.

The Company offers excellent conditions, including subsidised mortgage facilities and a first class pension scheme.

Please write with full details to:

J. N. C. Benstead,
Commercial Union Assurance Company Limited,
Leadenhall House, P.O. Box 93,
100 Leadenhall Street, London EC3P 3HD.



General Manager Designate

Merseyside c. £11,500 + car

Because of reorganisation this company, engaged in the consumer goods industry, is seeking a Senior Manager, who after a successful familiarisation period will be appointed General Manager. The company is part of a large international group and career prospects are possible within the group. The ideal candidate will probably be aged 38-45 with an accountancy qualification and a successful career in financial management, before moving into general management.

Some experience should have been gained in a manufacturing situation with a consumer orientated sales force.

REPLIES will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent. They should include comprehensive career details, not refer to previous correspondence with PA and quote the reference on the envelope.

PA Advertising

Norwich Union House, 73/79 King Street, Manchester M2 2JL. Tel: 061 236 4531



Member of PA International

Chief Accountant

Aylesford Paper Mills

Aylesford Paper Mills, located near Maidstone, Kent, is the largest establishment in Road Paper and Board (UK) Limited. Employing 1,800 people and capital equipment with book value of some £16m., it has an annual paper manufacturing capacity of 340,000 tonnes. It is in the forefront in developing waste paper as indigenous raw material, large capital sums having been spent for this purpose.

This is an important position requiring the services of a qualified Accountant with considerable experience, either in a large paper manufacturing company or similar process industry, where the development and use of an effective management information system has high priority. We anticipate that the necessary experience and vision will most likely be found in applicants between 30 and 40.

An attractive salary will start at a level commensurate with experience and other benefits include a company car. Prospects are those associated with a large company of diverse operations.

Please telephone or write for an application form to:
E. R. Hunt, Personnel Manager,
Aylesford Paper Mills,
Maidstone, Kent.
Tel: Maidstone (0622) 70123.



A Reed International company

Financial Development Accountant

London Salary negotiable + car

Our client is a major UK finance company and is a subsidiary of one of the world's largest international banks.

We have been retained to recruit a Financial Development Accountant to report to the Head of the Finance Division. It is a new appointment reflecting the next phase of a sophisticated computerisation development for financial accounting records and control, and related management information in this large transaction volume business.

Candidates, who must be qualified accountants with experience of computerised system development in commerce, must also be self starters with the ability to communicate effectively with computer systems staff.

The benefit package, including subsidised mortgage and personal loan scheme, is among the best in the UK market.

For a fuller job description write to A.R.D. MacDonell, John Curtis & Partners Ltd., Selection Consultants, 78 Wigmore Street, London W1H 9DQ, demonstrating briefly but explicitly your relevance and quoting reference 584/FT. This is an equal opportunity appointment.

JC&P

Managing Director

Lorimer's Breweries Ltd.
c. £20,000 Edinburgh

Lorimer's, which has a turnover of £20m and employs 2,000 people in brewing, wholesaling and retailing is the Scottish operating company for the successful Vaux Breweries Group. They are now looking for a Managing Director reporting to the Group Chairman to develop the company's full potential in Scotland. We feel that the right person is already at Board level in a well managed company or Group in the beverage or food industries. Sound experience of general management with the accent on marketing and industrial relations is vital.

The post carries a salary attractive to those already earning up to £20,000, plus car, pension and the usual benefits.

Interested applicants should send brief but comprehensive career details to the address below, quoting Ref. No. 046/11

Charles Barker-Coulthard
30 Farringdon Street, London EC4A 4EA.
Telephone 01-236 0526
Management Selection - Executive Search

SECRETARY

to the
FLOUR MILLING AND BAKING
RESEARCH ASSOCIATION

The FMBRA is an association of members representing virtually the whole of the flour milling industry and over 85% of the baking industry. It carries out research, service and information work of interest to its members and also holds a number of research contracts with the Ministry of Agriculture, Fisheries and Food. The Association's laboratory, employing 115 scientists and ancillary personnel, is situated in an attractive semi-rural area on the edge of the Chilterns with ready access to London.

Applications are invited for the position of Secretary to the Association which will shortly become vacant. The Secretary is responsible to the Director-General for general administration, financial management, personnel and membership matters. The position would suit persons in the age range 30-50 with relevant experience which might be in general administration, accountancy or as a Company Secretary. Salary will be negotiated around £8,500.

Applications, giving details of previous career should be sent to Professor Brian Spencer, Director-General, Flour Milling and Baking Research Association, Chorleywood, Rickmansworth, Herts. WD3 5SH. (Chorleywood (092 78) 4111) from whom further details may be obtained.

QS BANKING RECRUITMENT CONSULTANTS PERSONNEL OFFICER

Growing International Bank seeks experienced person, 26-35, with flexible attitude for Recruitment, Technical policy, etc. Ideally suited to Clearing Banker with Personnel experience. Salary c. £7,000 plus usual benefits.

Apply MIKE POPE
236-0731
30, QUEEN STREET, EC4.

Treasury Manager

City to £25,000

Our Client is a prominent and substantial European international bank. The current requirement is for a senior money manager to assume responsibility for the control of the bank's liquidity position and of its sterling and foreign exchange trading activities.

Ideal candidates, probably in the age range 38/45, will possess personal qualities of maturity and flexibility in addition to several years' practical experience at senior level of all aspects of the sterling and foreign exchange markets.

This is an attractive and responsible position with a negotiable salary and meaningful fringe benefits to match the importance of the appointment.

Contact Norman Philpot in confidence
on 01-248 3812

NPA Recruitment Services Ltd

WHAT DOES THIS



MEAN TO YOU?

To those engaged in the recruitment of financial management in the U.K. and Overseas it identifies the market leader.

We are now in our tenth year of continuous growth and our dominant position in the Commercial, Industrial and Public Practice recruitment markets has enabled us to broaden our base into Management Consultancy, Advertising and Creative Services. Our basic company philosophy, and the reason for our success, is the application of professional standards and commercial skills to generate high quality services and profitability.

We now have an immediate opportunity at management level in our Commercial and Industrial Recruitment Division in London. Successful performance in this role will have a significant effect on the development of our business and will therefore create excellent future career routes within our organisation.

We invite applications from those with relevant experience or the ability to assimilate rapidly the necessary technical and management skills. Although the likely age category is 28-38, of greater significance is contribution and potential for development on a long-term basis. These factors will also determine the income level that is offered.

For further information or discussion, telephone or write in complete confidence to Ronald Vaughan, F.C.M.A. or Douglas Lumbias, F.C.A., A.T.I.J.

Douglas Lumbias Associates Ltd.
Accountancy & Management Recruitment Consultants,
210, Strand, London, WC2R 0NS. Tel: 01-336 9500
121, St Vincent Street, Glasgow G2 2JH. Tel: 041 226 3101
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744



Financial Controller

Marketing company up to £12,000 + car

This company forms the UK marketing arm of a division of a major international group. It markets a well-known range of products for the office which are manufactured at a number of the division's plants throughout the world. Sales of these imported products now exceed £5m and a period of substantial growth in the UK anticipated. The Financial Controller will report to the General Manager and have responsibility for all aspects of financial, cost and management accounting within a well-ordered framework of planning and control. Currency transactions and credit control are both of prime importance and the person appointed will also act as Company Secretary. Candidates, in their mid 30s, must have an accountancy

qualification and proven experience in the senior financial role, ideally in a marketing operation. Close familiarity with currency matters and EDP applications will be essential. Salary will be negotiable up to £12,000 with a car and very good fringe benefits. Location: west of London.

PA Personnel Services
Ref: AA51/6885/FT

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

Jonathan Wren - Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

INTERNATIONAL LAWYER

5-figure salary

Our client, a major international commercial bank, wishes to recruit a qualified lawyer to its London office.

Candidates, solicitors or barristers, should be aged early to mid-30s with at least 5 years' practical experience of international commercial law, preferably gained within a banking environment. As the bank's in-house lawyer, the appointee will handle all domestic and international legal matters, with the emphasis on the documentation of loans to U.K. and international corporations and institutions. Salary - not a limiting factor in this important appointment - will be negotiable well into five figures. Please contact: ROY WEBB

EUROBOND DEALER

£10-12,000

A major investment banking house has a vacancy for an additional Eurobond dealer. We invite applications in strict confidence from dealers, preferably aged mid-to-late 20s, with at least 3 years' experience in the Eurobond primary and secondary markets, ideally with an Accepting House, international bank or leading stockbroker. Please contact: ROY WEBB

LOAN ADMINISTRATION MANAGER

c. £7,000 + benefits

Our client, a leading international merchant bank, seeks an experienced Loan Administrator to manage the Administration Section. Competence in handling syndicated loans as lead manager, as well as co-manager and participant, is essential. It is anticipated that a mature person aged 40 years + would be best suited to this vacancy, but younger applicants may apply. Please contact: DAVID GROVE

First floor entrance, New Street
170 Bishopsgate London EC2M 4LX 01-623 1266

FIELDING, NEWSON-SMITH & CO.

have a vacancy for a Settlement Clerk

aged 19-24, with at least two years' experience. Please telephone 606 7431 for appointment.

FIELDING, NEWSON-SMITH & CO. PRIVATE CLIENTS DEPARTMENT

Fielding, Newson-Smith & Co. have vacancies in their department dealing with Private Clients, Solicitors, etc., for:-

1. An experienced portfolio manager capable of taking over day-to-day responsibility for a group of clients, on the retirement of a senior executive.
2. A younger person, with one or two years' experience, to assist the above.

Please reply, with curriculum vitae, to The Managing Partner, Fielding, Newson-Smith & Co., 31 Gresham Street, London EC2V 7DX.

FEDERAL HOUSING AUTHORITY

Internal and External Advertisements

Applications are invited from suitable qualified candidates for appointments to the following vacant posts in the Planning & Research Department of the Authority.

POSITIONS

1. CHIEF ENGINEER OFFICER GL 14 (N8868-N9828)
2. CHIEF ENGINEER (Materials Research) GL 14 (N8868-N9828)
3. CHIEF ENGINEER (Building Research) GL 14 (N8868-N9829)
4. PRINCIPAL PLANNING OFFICER (Feasibility Studies)
GL 12 (N7104-N7752)
5. PRINCIPAL PLANNING OFFICER (Master Plans)
GL 12 (N7104-N7752)
6. PRINCIPAL BUILDING ENGINEER GL 12 (N7104-N7752)
7. PRINCIPAL RESEARCH ENGINEER (Soil Mechanics)
GL 12 (N7104-N7752)
8. PRINCIPAL CIVIL ENGINEER GL 12 (N7104-N7752)
9. PRINCIPAL PHYSICS/PRINCIPAL RESEARCH ENGINEER
(Scientific Investigation) GL 12 (N7104-N7752)
10. PRINCIPAL STRUCTURAL ENGINEER GL 12 (N7104-N7752)

QUALIFICATIONS AND EXPERIENCE

1. University degree or equivalent professional qualification in Town Planning. Ten years relevant professional experience in the field of Data Collection, Preparation of Master Plans, and Feasibility and Viability studies, five of which must be at senior management level. Membership of the Institute of Town Planners of Nigeria or other recognised Institutes will be an advantage.
2. University degree or equivalent professional qualification in Geology, Soil Mechanics, Architecture or Civil/Structural Engineering plus ten years relevant experience in soil investigation, analytical chemistry, materials research, five of the ten years must be at Senior Management Level in a university or research Institute. Membership of recognised professional bodies and possession of a higher university degree like Masters or Doctorate will be advantageous.
3. University degree or equivalent professional qualification in Building or Civil Structural Engineering. Possession of a higher degree like Masters or Doctorate will be an advantage. In addition, applicants must have ten years post-qualification experience in Building Methods and related scientific investigations, five of the ten years must be at senior management level. Membership of appropriate recognised professional body will be an advantage.
4. University degree or equivalent professional qualification in Estate Management, Town Planning, Quantity Surveying plus seven years relevant professional qualification. Membership of appropriate Nigerian or other recognised professional body is an advantage.
5. University degree or equivalent professional qualification in Town Planning plus seven years relevant post-qualification experience. Registration with the Nigerian Institute of Town Planners or other recognised Institutions will be an advantage.
6. University degree or equivalent professional qualification in Building Engineering/Technology, Architecture or in Civil Engineering with emphasis in Building Technology, plus seven years post-qualification experience in the relevant field. Applicants must be registered or be registrable with the Council of Registered Engineers of Nigeria (COREN).
7. University degree or equivalent professional qualification in Civil Engineering with emphasis on Soil Engineering plus seven years relevant post-qualification experience. Possession of a higher degree will be an advantage.
8. University degree or equivalent professional qualification plus seven years post-qualification experience in the fields of water, sewage and road design and installations. Applicants must be registered or be registrable with COREN.
9. University degree in Physics plus seven years post-qualification research experience in Scientific Investigation in Buildings and building materials. Possession of a higher degree will be an advantage.
10. University degree or equivalent professional qualification in Structural Engineering plus seven years post-qualification experience in building structures. Possession of a higher degree will be an advantage. Applicants must be registered or be registrable with COREN.

DUTIES

- (i) The Planning & Research Department of the Authority is charged with responsibility for the following and as provided in Section 9 of Decree No. 40 of 1973 which established the Authority:
- "the preparation and submission from time to time to the Government of proposals of National Housing Programmes;
 - "the making of recommendations to the Government on such aspects of urban and regional planning, transportation, communications, electrical power, sewage, and water supply development as may be relevant to the

- successful execution of housing programmes approved by the Government.
- In pursuance of Section 4 (b) (ii) of the Decree, viz: "undertake or sponsor the undertaking of such research as may be necessary for the performance of its functions", the emphasis of this department is on practical result-oriented planning and research. The department is not interested in theoretical research which cannot be immediately useful in providing houses to meet Nigerian conditions.

(ii) The duties of the positions referred to above are:

POSITIONS

1. Preparation of Master Plan for new Estates and also preparation of feasibility studies.
2. Soil investigation, research on the use of local building materials analysis, etc.
3. Research on building methods. Training of construction personnel, research on cost reduction in building, etc.
4. To assist the Chief Planning Officer as may be required on feasibility studies.
5. To assist the Chief Planning Officer as may be required on Master Plans.
6. To assist the Chief Engineer (Building Research) as may be required on building research, and to study industrialised building systems.
7. To assist the Chief Engineer (Materials Research) on soil investigations and design improvements as may be required.
8. To assist the Chief Engineer on Preliminary and final designs of primary infrastructures like roads, drains, water supply, sewage and incineration designs.
9. To assist on scientific investigations to improve ventilation, humidity, air circulation in buildings, and any other aspects that contribute to the comfort of the occupants of a house or building.
10. To assist the Chief Engineer on the investigations and design of the structural aspects of buildings.

SALARY AND CONDITIONS OF SERVICE

Point of entry into the Grade Level stated above depends on qualification and experience. Other

conditions of service are similar to those applicable to the Public Service of the Federal Republic of Nigeria.

METHOD OF APPLICATION

Six (6) copies of the application and Curriculum Vitae together with photostats of credentials should be submitted. The Curriculum Vitae should state inter alia nationality, age, marital status, institutions attended, examinations passed - with grades, full history of employment with duties performed at various levels, basic salary in the present employment and, if unemployed, basic salary at the last place of employment. In the case of position 2, a resume of all previous publications should be made and forwarded.

The applicant shall name three (3) referees. It shall be the responsibility of the applicant to ensure that the referees forward their comments and recommendations to the Authority on the date and in the manner specified below:

All applications and references should be

addressed to:

The General Manager,
Federal Housing Authority,
Festival Town, Badagry Road,
P.M.B. 3200, Surulere,
Lagos, NIGERIA.

and to reach him not later than June 15, 1979.

The post applied for or in respect of which a reference is being made should be clearly marked at the bottom left corner of the sealed envelope forwarding the application or the reference.

Only short-listed applications shall be acknowledged and the Authority shall not enter into any correspondence with other applicants. The Federal Housing Authority will make convenient arrangements to interview the short-listed applicants.

GENERAL MANAGER
FEDERAL HOUSING AUTHORITY.

SENIOR FINANCIAL APPOINTMENTS



In the Gulf Oil Industry

One of the world's fastest growing, fully integrated oil companies is anxious to expand its Central Financial Management and Control organisation by appointing the senior professionally qualified staff listed below. The positions are all career opportunities and can develop in line with the dynamic growth of the Company, which is rapidly becoming a major force in the international oil industry.

BUDGETING BUDGET ANALYST

The successful applicant will have had at least 6 years experience in budgeting and budget analysis in an international oil company. A Bachelor or higher degree in a finance or commercially associated discipline will be necessary together with the ability to read and write English as well as Arabic.

FINANCIAL SYSTEMS & PROCEDURES

MANAGER FINANCIAL SYSTEMS
FINANCIAL SYSTEMS ANALYST
Financially oriented graduate education is a prerequisite for the appointments and must be coupled with a minimum of 5 or 10 years experience respectively, preferably in the oil industry. A significant record will have been achieved in the design and development of corporate and functional financial systems.

TREASURY ASSISTANT TREASURER - BANKING & FINANCE

Candidates will require a minimum of 6 years experience at senior level in International Banking or in the Treasury function of a finance corporation. Their education to Bachelor degree level in Commerce, Finance or Banking will desirably be supported by professional qualifications. Fluency in English is essential.

FINANCIAL ANALYSIS FINANCIAL ANALYST

This key position will be filled by a candidate with a strong record in corporate financial analysis, preferably in a major oil company. A graduate education with an appropriate degree and 6 years relevant experience will be required. Fluency in English as well as Arabic is desirable.

ACCOUNTING & AUDIT

ACCOUNTS PAYABLE SUPERVISOR, SENIOR INTERNAL AUDITOR, INTERNAL AUDITOR
The successful candidates must have had between 4 and 8 years commercial accounting or auditing experience after education in Finance, Business Administration or Commerce at Bachelor degree level. This will have been followed by the achievement of professional accounting qualifications. The ability to read and write Arabic is essential.

Successful candidates will enjoy attractive tax free salary and allowances together with rent-free, fully furnished accommodation. If you think you can grow with this highly professional, rapidly expanding company, and you meet the specifications above, you are invited to forward full details of your qualifications and experience to the address set out below, quoting ref. CG4.

Applications should be in English and should indicate degree of fluency in Arabic. They will be treated in strictest confidence, acknowledged, and forwarded to our Client.

JWT Recruitment Ltd
Executive Recruitment & Selection
40 Berkeley Square London W1X 6AD 01-629 9496

Group Development Director

Engineering Industry
£20,000 + bonus

West London

Our client, a major British engineering group, is seeking to strengthen its small head office team which monitors performance and provides specialised services through a divisional management structure to subsidiaries operating on an autonomous basis. Group turnover is approximately £100 million; profits are very satisfactory and growth will continue through the development of existing manufacturing and merchanting operations at home and overseas and also by further acquisitions. The Development Director will support the Group Chairman in the areas of business development, acquisitions, medium and long term planning of product and market development in machine tool, engineering and related industries. The work calls for a graduate, aged around 40, with an engineering background, a good track record in a senior staff role following a successful period in line management, a practical approach to problems and the style and personality to contribute to decision making at top level. Starting salary will be £20,000 plus bonus; other benefits include a car and non-contributory pension scheme.

Male and female applicants should write in confidence to Mr M.Lomas or telephone (24 hour answering service) for a personal history form giving reference L/145/

The P-E Consulting Group Appointments Division

1 Albermarle Street, London W1X 3HF Tel. 01-499 1948

PE

Director of Finance and Administration

Our client is a major Division of one of the foremost consumer goods manufacturers in the UK, with extensive retailing interests as well as high-volume production and wholesaling operations. The structure consists of a large number of profit-centre Companies, grouped into Regions for management purposes. A Director of Finance and Administration is now required at the small national headquarters of this organisation whose turnover is well into nine figures.

This new appointment calls for a seasoned financial manager with considerable personal stature. Candidates must already have performed successfully at or near Financial Controller level in a large consumer goods

manufacturing business run on decentralised lines. Experience should preferably include the financial management of retailing operations, and the presentation of information for Board management and Price Commission purposes. Familiarity with modern computer-based systems is expected. Ideal age-range late 30s to early 40s.

Salary indicator £15,000. Company car and excellent benefits. Central London location.

Please reply, in strict confidence, to Peter Bingham & Partners, Personnel Consultants, 9 Curzon Street, London W1Y 2FL, giving full personal and career details. Applications from both male and female candidates are welcome.

Peter Bingham & Partners

GENERAL MANAGER

Swiss Trading Group seek General Manager for its passenger car distribution network for Saudi Arabia, location, Jeddah. Candidate must have proven all-encompassing experience in the Automotive Industry including Sales, Service, Parts and Dealer Development. Knowledge of Arabic

and French advantageous, but not a must. Salary according to qualifications: U.S. Dollars 60,000-70,000 per annum, tax free. Plus free living accommodation, together with family, 2-3 years' contract, renewable, with five weeks home leave and frequent trips to ascertain liaison with factory.

Applications, giving full details, should be c/o Mr. Bernhard A. Hoffmann
HOFFMANN ASSOCIATES
54 Gotthardstrasse, CH-8002 Zurich

السيد محمد

Manager

Fire & Accident Insurance

This is an excellent opportunity to establish and develop the London-based subsidiary of an overseas insurance company which already has an outstanding growth record.

Candidates, probably aged over 35, should have 10 years experience in short-term insurance and be familiar with the British insurance market. Apart from overseeing the existing portfolio, the main responsibilities will be the management and future development of the subsidiary. An appropriate qualification such as FCII or ACII is very desirable.

Career prospects are linked to company growth and profitability. Fringe benefits are negotiable. Salary from £10,000 plus car.

Please send brief details—in confidence—to J. M. Ward ref. B.41367.

This appointment is open to men and women.

MSL United Kingdom Australia Belgium Canada
France Germany Holland Ireland Italy
New Zealand South Africa South America
Sweden Switzerland U.S.A.
Management Selection Limited
International Management Consultants
17 Stratton Street London W1X 6DB

Chief Accountant

for a large firm of solicitors in the City. In this new post, arising from the expansion and development of the firm's business and organisation, the Chief Accountant will take charge of the accounts department and its existing staff. He/she will be responsible for its day to day operation and the preparation of periodic accounts of the firm, which has its own disc-based computer.

Candidates, aged 35 to 45, must be qualified accountants with experience at senior level in a service industry, commercial undertaking or professional firm.

Salary up to £12,500. Non-contributory pension and other benefits.

Please send relevant details—in confidence—to P. Hook ref. B.26425.

MSL United Kingdom Australia Belgium Canada
France Germany Holland Ireland Italy
New Zealand South Africa South America
Sweden Switzerland U.S.A.
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International Management Consultants
17 Stratton Street London W1X 6DB

SAUDI ARABIA

GENERAL MANAGER — SAGE



The Company is a joint venture company, its parent companies are NADCO of Riyadh and BOC of UK. Its office is situated in Riyadh.

Salary: £15,000 per annum tax free. Married or single status. Free furnished living accommodation, air conditioned with free electricity and water. Car is also provided.

Minimum qualifications: HNC mechanical/gases.

- Candidate must be self motivated and be able to manage all aspects of contracts up to SR 10 million.
- Be able to maintain contact with all major contractors in Saudi Arabia and maximise potential business.
- Prepare comprehensive tenders and to negotiate to a successful conclusion.
- Liaison with sub-contractors.
- Circulate regular financial reports and progress reports.

The position requires a person with a cryogenic and chemical background and must have at least 15 years experience working for a major company. A working knowledge of Saudi Arabia would be beneficial.

Please apply with full details to: D. McCall, Manager, NADCO (UK), 28-29 Dover Street, London, W.1

Managing Director

A plastics company in the Midlands, which is part of a larger group, requires a Managing Director to be responsible for the forward development of a profitable company with a present turnover of £6 million and employing 300 people.

An appropriate commencing salary will be offered together with a company car and the usual large group fringe benefits.

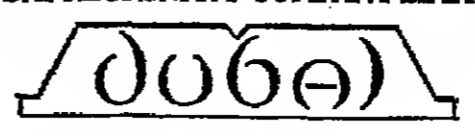
Please write stating age and giving details of background, experience and current salary to:
Box A.6757, Financial Times,
10, Cannon Street, EC4P 4BY.

SENIOR EXECUTIVES

If you are in the job market now—we are here to help. Courts Careers provide—
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Telephone now for a cost free assessment meeting.

Percy COURTS & Co.
01-839 2271
140 Grand Buildings
Trafalgar Square,
London WC2.

DUBAI ALUMINIUM COMPANY LIMITED



Accountant Budgetary Control

Dubai is now constructing an industrial complex at Jebel Ali in Dubai, United Arab Emirates, which by mid-1981, will be producing 135,000 tonnes of primary aluminium per annum and 25 million gallons of desalinated water per day.

Competent people with relevant experience and a taste for demanding start-up situations are required to establish the company's operations on a sound basis. The first pour of aluminium is scheduled for October, 1979.

An experienced, qualified accountant, aged around 30, is required to co-ordinate the compilation of capital and operating budgets for the financial year. Main tasks are the control, analysis and improvement of the budgeting process.

Applicants will, ideally, have held a similar position in the metals industry including a period working overseas.

Tax free salary up to 95,000 dirhams (approx. 8 dhs. to £1). This is a career position on married or single status and benefits include free furnished accommodation, car allowance and a provident fund.

Please telephone (01-629 1844 at any time) or write—in confidence—for further information and an application form. P. A. Sandham ref. B.8744.

MSL United Kingdom Australia Belgium Canada
France Germany Holland Ireland Italy
New Zealand South Africa South America
Sweden Switzerland U.S.A.
Management Selection Limited
International Management Consultants
17 Stratton Street London W1X 6DB

Chemical and Allied Products Industry Training Board

The Board is to make two new appointments to be based at Central Office at Staines, Middlesex.

Starting salary in each case is c. £10,000 p.a. plus car and other benefits.

Candidates should be graduates and should have gained some of the appropriate experience in the chemical and allied products industries.

The appointments are:

Controller-Personnel

To be responsible for the personnel function of the Board in respect of its full-time staff, including apprentices, and involving development of policy, recruitment, staff development, employee/union relations and conditions of employment. Ref. B.12302.

Controller-Manpower Services

To be responsible for assessment of the chemical and allied products industries' long term manpower requirements and for promoting the necessary action to be undertaken by the Board to help provide the necessary supply of trained manpower to the industry. Ref. B.12303.

For further information and application form please telephone (01-629 1844 at any time) or write—in confidence—quoting the appropriate reference to G. V. Barker-Benfield.

MSL United Kingdom Australia Belgium Canada
France Germany Holland Ireland Italy
New Zealand South Africa South America
Sweden Switzerland U.S.A.
Management Selection Limited
International Management Consultants
17 Stratton Street London W1X 6DB

Building Society General Manager

to succeed the retiring chief executive of the UNIVERSAL BUILDING SOCIETY in Newcastle upon Tyne with responsibility to the board for day-to-day management and development of the Society's business.

The Society has assets exceeding £30m. and an extensive branch organisation in the north. Policy is to continue the established record of expansion as an independent society.

A record of successful management in the movement or possibly elsewhere in the financial services sector is required. Knowledge of computerised accounting and control systems is necessary. Preferred qualifications are FBS/ABS or ACIS. Probable age 35 to 50.

Salary negotiable from £10,000 with car, advantageous mortgage scheme, pension and re-location assistance.

Please write—in confidence—to W. J. Angus ref. B.64255.

This appointment is open to men and women.

MSL United Kingdom Australia Belgium Canada
France Germany Holland Ireland Italy
New Zealand South Africa South America
Sweden Switzerland U.S.A.
Management Selection Limited
International Management Consultants
14 St. Vincent Place Glasgow G1 2EU

MIKE POPE MONEY MANAGEMENT APPOINTMENTS

L/A and Commercial Manager
Senior Interbank Brokers
Commercial Brokers
L/A Broker
Senior Institutional Broker

5 CD Brokers
Senior Currency Deposit Dealer
Senior Spot Dealers (with French)
FX Broker (with French/German)
Inter-link Broker for Frankfurt

Apply MIKE POPE 236 0731
30, QUEEN STREET EC4

PARTNERS' ASSISTANT

required for successful and expanding Private Clients Department and the ability to work without close supervision essential. The position would suit someone in their mid-20s with at least four years Stock Exchange experience, part of which should have been gained in a branch of bank department. Remuneration will initially reflect the successful candidate's responsibility and a salary to match. We also offer pleasant working conditions and the usual fringe benefits. Write with full curriculum vitae to Box A.6758, Financial Times, 10, Cannon Street, EC4P 4BY.

Marketing Executive

Salary £8,000 + Neg. + benefits

We are acting for a major transportation equipment leasing company whose success and expansion has been generated by a young aggressive marketing team. There is an opportunity to join this team to seek out and sell to new customers in addition to developing existing business.

Working from a central London base you must be prepared for travel, sometimes at short notice. You will be in your mid to late twenties, a natural salesman with initiative and tenacity. You will represent the Company at varying levels with customers and you must feel at ease with people in all environments.

If you have experience of selling in Eastern Europe, a knowledge of shipping and the ability to do business in a second language this would help, but the most important attribute is the ability to sell and the track record to prove it.

This is a rare opportunity to move into a stimulating company and interested candidates, male or female, should contact Richard Wilson, M.A. — Consultant, preferably by telephone.

David Clark Associates
4 New Bridge Street, London E.C.4
Telephone: 01 353 1867

GROUP MANAGEMENT ACCOUNTANT

c. £11,000 + car

Our client is a market leader in the food retailing sector. Due to internal promotion and the continued expansion within the group we are recruiting a qualified accountant with proven experience in both Treasury and management accounting at the group level.

The scope of this position will encompass the development review and improvement of all accounting systems, the supervision and consolidation of all management information, the contribution towards the group treasury activities and investment appraisal.

The successful candidate will report to the Group Financial Controller.

Coupled with an attractive salary, there are excellent prospects within this group for an ambitious accountant wishing to combine Treasury with Management Accounting.

Location W. London.

Please contact in strictest confidence
David Clark, F.C.A., Consultant, quoting 1984.

David Clark Associates
4 New Bridge Street, London E.C.4
Telephone: 01 353 1867

Schlesingers

Assistant Unit Trust Accountant Based in Dorking

We are a well established Unit Trust Company within the Schlesinger Investment Division managing over £100m. Due to our continuing expansion, an opportunity has arisen for an Assistant Unit Trust Accountant/Administrator based in our pleasant modern administrative offices in Dorking.

Successful applicants will have gained some experience of portfolio accounting with a Unit Trust or Investment Trust Company or similar organisation. Greater emphasis will be placed on practical experience rather than formal qualifications. The person appointed will have full responsibility for the accounting and administration of a number of our Unit Trust Funds including portfolio valuations and distribution accounts.

A generous salary will be offered to the right candidate and benefits include profit sharing and BUPA.

Please write or telephone in confidence to:—
Mr. J. Clark,
SCHLESINGER TRUST MANAGERS LTD.,
Schlesinger House, 140 South Street, Dorking, Surrey.
Tel: Dorking (0306) 86441.

Assistant Accountants

We are the country's fourth largest Building Society serving over 12 million members through a national network of branches and agencies administered centrally from Leeds.

The Society has enjoyed a considerable growth in assets - currently in excess of £2,400m - and now seeks to make two important appointments.

The successful candidates will be responsible for a wide and interesting variety of work connected with the accounting, financial and secretarial functions of the Society. Previous building society experience is not essential but candidates should have gained a broad accounting experience and be able to work to strict deadlines. Personal development prospects are excellent for the right candidates.

Applications are invited from qualified persons, either FCA, ACA, FCIS or ACIS, aged not more than 40. Salary will be commensurate with experience and other benefits include a free life assurance cover, a contributory pension scheme, subsidised staff restaurant and concessional mortgage facilities. Telephone Leeds (0532) 38181 Ext 448 for an application form or write to:

J Clark Esq AMBIM Personnel Manager
Leeds Permanent Building Society
Permanent House The Headrow
LEEDS LS1 1NS



ONE OF THE BIG FIVE

Director/General Manager

Foods

c.£17,500 p.a. and car

This is a vital appointment in a well known food company with a turnover in excess of £100m. Full accountability will be taken for the manufacturing, sales and marketing functions where over 1,200 people are employed.

The requirement, therefore, is for someone who has made his/her mark in a profit responsible position at senior general/marketing management level in a large f.m.c.g. company selling its products to the grocery trade. Exceptional commercial flair, numeracy and managing skills will be looked for. Age 35-42.

Conditions of employment are excellent. Salary indicator as above plus car and other benefits which include a highly attractive stock option scheme. Early prospects of a main board directorship. Location: London area.

Interested candidates are invited to write immediately (with contact telephone number) in strict confidence

to J. W. C. Bull at Bull Holmes (Management) Limited, 45 Albemarle Street, London W1X 3FE, who is advising the company on this appointment.

Bull Holmes

PERSONNEL ADVISERS

Financial Controller

Bracknell

up to £15,000 + benefits

Reporting to the Chairman/Managing Director, responsibilities include running a large accounts department through a team of managers, and controlling and developing the DP department.

The company is a rapidly growing consumer finance and banking concern with US parentage. Candidates must be qualified accountants aged 35-45, with a proven career record, ideally in a service industry. Awareness of effective DP management and of American reporting schedules is expected.

Remuneration includes a subsidised mortgage, non-contributory pension and car.

Applications, which will be treated in strict confidence, should contain relevant details of career and salary progression, age, education and qualifications.

Please write to Dr. I. E. Bowers quoting reference 791/FT on both envelope and letter.

Deloitte Haskins + Sells

Management Consultants

128 Queen Victoria Street, London EC4P 4JX

ARE YOU LOOKING FOR A new position in London or Southern England?
BEE PROFESSIONAL STAFF who have many openings in commerce, industry and the professions for qualified, part-qualified and experienced accountants.
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24-hour answering service.

DEVELOP YOUR CAREER IN CORPORATE TAX WITH AN INTERNATIONAL FIRM MANAGERS: from £9,500-£15,000 + car

ACA's/CA's Aged 27-32

City of London

Our client is a major international firm of chartered accountants seeking to expand its London Corporate Tax Department. This has created the need to recruit at Manager levels.

Opportunities exist to take immediate responsibility for a group of qualified staff and a challenging portfolio of public listed companies. There will also be regular involvement in high level corporate tax planning, tax investigations and other special tax work.

Candidates should be chartered accountants with proven ability in staff and client management areas and be able to demonstrate between three and five years corporate tax experience within public practice, ideally gained in medium to large sized firms.

Very good prospects exist for successful applicants.

For more information and a personal history form please contact George Ormrod B.A. (Oxon), Paul Corvoase M.A. (Oxon) in London or Barbara Lord M.Sc., A.I.P.M. in Scotland quoting reference 2408.

Public Practice Division
Douglas Lambie Associates Ltd.
Accountancy & Management Recruitment Consultants
410, Strand, London WC2R 0NS. Tel: 01-836 9501
121, St. Vincent Street, Glasgow G2 2HW. Tel: 041-226 3101
3, Cockburn Place, Edinburgh, EH3 7AA. Tel: 031-225 7744



Internal Consultants

Computer Systems Audit/Security
London based, to £10,500 + car

These vacancies arise through promotions within a function recognised as providing excellent and varied prospects of career advancement. Our client is a multinational manufacturer and distributor of business equipment and supplies. Successful candidates will be members of an internal consultancy team providing international management at all levels with a professional appraisal of operations methods

and an assurance of the integrity of current systems. Candidates, probably 27-35, must be graduates with at least 3 years in EDP systems management, ideally with IBM equipment. A full understanding of business problems associated with large scale systems development is vital. For one of the vacancies experience of security technology is preferred. There is about 30% travel, mainly overseas.

N.P.S. Lilley, Ref: 22134/FT.

Male or female candidates should telephone in confidence for a Personal History Form to:
LONDON: 01-734 6852, Sutherland House, 5/6 Argyll Street, W1E 6EZ.

Hoggett Bowers
Executive Selection Consultants
BIRMINGHAM, CARLTON, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD.

Business Planning Executives

London

£6,000-£9,000

Our client, a fast moving and diverse British manufacturing Group requires Planning Executives at both senior and junior level to help identify and quantify business opportunities, acquisitions and new ventures for the Group and its subsidiaries at home and abroad.

As members of this small, high calibre team reporting to the Chief Planning Executive, they will be involved with planning and the evaluation of specific business development opportunities, often working on a project basis with line management.

Candidates (male or female), numerate graduates, should have had exposure in a manufacturing environment and have marketing experience. For the more senior job they will have line management experience and be in their early 30's, the more junior in their mid to late 20's. Promotion prospects within the Group are excellent.

Please write in confidence, stating the name of any organisation to whom your letter should not be sent.

T. L. Roberts, Director (Ref: 441)

Whites

Whites Recruitment Limited 72 Fleet Street, London EC4Y 1JS
Offices: Bristol, Glasgow, Leeds, London, Manchester and Wolverhampton.

c.£12,000
Audit Manager - Designate
LONDON
International Company

Qualified accountant, male or female aged 28 plus. Fluent English and French or German essential. An aptitude and an interest in internal auditing as part of a service to management is essential. Candidates will be expected to deal effectively at all levels throughout Europe. Extensive travel. Fringe benefits include pension/life cover, BUPA, and relocation expenses.

Suitably qualified candidates please phone 01-493 7117 for application form quoting MRD 8026 (24 hour answering service).

MRD

Management Recruitment Division
BOYDEN INTERNATIONAL LTD.
11/15 ARLINGTON STREET, LONDON, SW1A 1RD.
LONDON, PARIS, BRUSSELS, GENEVA, ROME, MILAN, ALIBON, BARCELONA, TOKYO, HONG KONG, CALIFORNIA, MEXICO CITY, SAO PAULO, AUCLAND, MELBOURNE, SYDNEY, JOHANNESBURG AND THROUGHOUT THE USA.

Recently Qualified Accountant

City

c. £8,000

Our clients are a unique City company playing a key role in international commerce with connections overseas. The company has a successful growth record and enjoys a high level of profitability.

As Deputy Group Accountant, you will be part of a young effective management team heading a small Accounts Department and responsible for the efficient accounting service required within the Group. The position offers an opportunity to gain experience in the commercial world in a varied and stimulating role with the chance to gain practical experience in all aspects of accountancy.

The company is part of a large financial group and as such offers the usual range of fringe benefits. We guarantee absolute confidentiality so please write briefly to, or telephone, Douglas Atkins, quoting ref: 947.

AMC Selection Recruitment Consultants,
84-86 Baker Street,
London W1M 1DL
Tel: 01-487 5761 (24 hours)

FRIENDS' PROVIDENT LIFE OFFICE

Two attractive opportunities for qualified accountants. Applications are invited for the following posts which are based at the Head Office, Dorking, Surrey, of this major and progressive life assurance office.

INVESTMENT ACCOUNTANT
£10,000 PLUS

The successful applicant will be responsible to the Chief Accountant for all aspects of accounting for the £500m U.K. investments of the group. The work will encompass accounting for stock exchange investments and all aspects of property management. It will also involve participation in the preparation of reports to the Board of Directors on investment matters.

Applicants must be Chartered Accountants preferably with a good university degree, post qualification experience of managing staff and knowledge of this type of work. Selection will depend upon applicants demonstrating that they have initiative and an ability to get new ideas implemented.

In addition to the basic salary there are attractive bonus schemes and other fringe benefits.

TAXATION SUPERINTENDENT
c. £7,000

This post entails preparation of tax computations for all the companies within the group under the direction of the Taxation Accountant. The work will cover corporation, capital gains, value added and development land tax.

It is expected that the successful candidate will be a recently qualified Chartered Accountant with broad tax experience.

In addition to the basic salary there are attractive bonus schemes and other fringe benefits.

Applications in confidence to:
B. R. Nunn, FCA, MBCS, Chief Accountant,
Friends' Provident Life Office, Pixham End,
Dorking, Surrey RH4 1DA, Tel. Dorking 5955.



MAKE YOUR FUTURE WITH FRIENDS

MAJOR CALIFORNIAN BANK CREDIT ANALYST

We are currently seeking an experienced analyst to supplement our expanding Corporate Banking team. Candidates should possess an appropriate accounting qualification together with an in-depth knowledge of analysis techniques and the ability to work with the minimum of supervision. Salary is commensurate with experience plus the usual fringe benefits.

Please write enclosing curriculum vitae to Box A.6756, Financial Times, 10, Cannon Street, EC4P 4BY.

INSTITUTIONAL SALES PERSON

Our clients, a leading company of City stockbrokers, are interested in hearing from personnel in the mid-20s age group who have previous experience in this field. Excellent salary and conditions neg. e.a.s.

Please phone
Alice Zulec 01-248 6071
for an immediate interview
ALANGATE EMPLOYMENT AGENCY
(Banking, Building and Finance Division)

Investment Analyst

Our Client, a major industrial undertaking, wishes to appoint an Investment Analyst to assist in the management of its Pension Fund's Gill-Edged Stock portfolio; this currently amounts to over £200 million.

Responsibilities will be involved with new investment, switching, and short-term deposits; the successful candidate will help to monitor monetary, interest rate and general economic trends/factors affecting these areas.

Applicants must hold a degree or professional qualification, and should have at least 2-3 years experience in an investment environment.

The appointment is London-based. Attractive conditions of employment, including a starting salary in the region of £8,750.

Please write in the first instance, enclosing details, to the address below. (Reference 848 must be quoted on your envelope. Enclose separately a note of any companies to which your application should not be sent.)

The above opportunities are open equally to men and women.
Ronald Fairclough, Everetts Recruitment,
10 Greycoat Place, London SW1P 1SE

EVERETT'S recruitment

Finance & Group Development Director

London, c.£15,000 p.a.

Simon-TR Holdings Ltd., the international operating Group within Simon Engineering Ltd., responsible for chemicals distribution, bulk liquid storage, and transport, wishes to appoint a Director, Finance & Group Development as the present incumbent is taking up another appointment in the parent Group. The Director will be the Board member responsible for financial management, accounting and secretarial functions and will contribute significantly to corporate planning and developments.

Candidates must have: a commercial bias; experience with a public company and in a company with international interests, and be qualified accountants (CA or CCA). A university degree is desirable. Age range: 38-45 years. Salary about £15,000 p.a.; profit sharing scheme; car; benefits usual in a major company.

Based at the head office in London with occasional visits overseas.

Please write stating age, current salary and how you meet our Client's requirements quoting reference DF4022/FT on both letter and envelope. Men and women are invited to apply. No information will be disclosed to our Client without permission.

Urwick, Orr & Partners Limited
Management and Selection Consultants

Baylis House
Stoke Poges Lane
Stough SL1 3PE

CORPORATE FINANCE

Age 25-28

c. £8,000

A Merchant Bank of the highest repute, a member of the Accepting Houses Committee, seeks to appoint a highly motivated and ambitious person to assist in the proposed expansion of its active and important Corporate Finance Department.

The job will involve considerable Client contact at senior level, in the fields of mergers/acquisitions, capital restructuring and corporate investment.

The successful Candidate will probably be a graduate and must be a Chartered Accountant, with a good examination record. Previous banking experience is not necessary, but ideally applicants should have two years' post-qualification experience, either in the profession or industry.

Salary is negotiable around the above figure, and benefits, commensurate with the standing of the bank, include 3% mortgage facility, n/c pension and B.U.P.A.

Please telephone, in confidence, NEIL KEANE

BANKING PERSONNEL
41/42 London Wall, London EC2. Telephone: 01-588 0781
(RECRUITMENT CONSULTANTS)



SENIOR DEALER

A well known International Bank is seeking to expand its dealing operations making an opening for a first class dealer with good, all-round experience to join an efficient team. This position affords excellent opportunities for the right person who will be in their late twenties/early thirties and the salary will be circa £10,000 per annum.

CREDIT ANALYST

A competent credit analyst with 3/4 years' analysis experience and who has had formal credit training is required by a small expanding International Bank.

The right person will have the opportunity to progress into the lending area at a later date. Applicants should be in their late twenties with a salary expectancy of circa £7,500.

These positions are open to both male and female applicants.

FOREX DEALER

A position has arisen in an established City bank for a foreign exchange dealer, mid-twenties, with a minimum of two years' dealing experience. The salary will be circa £7,500 per annum.

LENDING OFFICER

City based bank requires a competent lending officer with a minimum of three years' experience within an American banking environment. Salary circa £9,000.

BSB Banking Appointments

115-117 Cannon Street, London EC4N 5AX. Telephone 01-623 7317 & 01-623 9161
Recruitment Consultants

سكوا من الاصل

201150

CJA RECRUITMENT CONSULTANTS

35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

An important appointment—scope for considerably extending funds under management

CJRA SENIOR PORTFOLIO MANAGER

LONDON up to £14,000 + car

MAJOR INTERNATIONAL MERCHANT BANK

Applications are invited from candidates aged 28-36, who have acquired a minimum of 5 years pension fund and/or investment experience and some discretionary portfolio management experience. The successful candidate will report to the Pension Fund Investment Director and be responsible for the efficient and profitable discretionary management of a number of large pension funds worth in total in excess of £50 million. As a member of the Investment team, he or she will be expected to make a useful contribution to investment strategy. The ability to make sound investment decisions, and to advise Trustees in a persuasive and authoritative manner, is important. Initial salary negotiable up to £14,000 + car + non-contributory pension, free life assurance, free BUPA, 2½% loan mortgage facility. Applications in strict confidence under ref. SPM11200/FT will be forwarded unopened to our Client, unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager:

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH.

Investment Management

Bank of America's Merchant Banking subsidiary is seeking an additional Portfolio Manager for its London International Investment Management Service. This Unit is continuing to grow in size and importance, managing very substantial portfolios.

Applicants must have at least 3 years experience in bond portfolio management. A knowledge of international equity markets and administrative procedures would be advantageous in addition, excellent professional qualifications are essential.

Salary will reflect the importance of this key appointment. Total remuneration, including fringe benefits, are in line with the best banking practice.

Suitably qualified men and women should send full career details, which will be treated in strictest confidence, to The Director, International Investment Management Service.

BA BANK OF AMERICA INTERNATIONAL LTD

St. Helen's, 1 Undershaft, London EC3A 8HN.

Director Manufacturing Technology

The task is to keep one of the largest and most profitable UK packaging manufacturers in the forefront of its industry's production capability. It is a new position reporting directly to the Chief Executive, and will involve a continuous review of manufacturing techniques and an on-going dialogue with machinery makers world-wide.

Candidates, graduate engineers probably over 35, will have a special interest in high speed machinery, involving applied chemistry, which is moving rapidly into areas of complex electronics and computerised control systems. They must also appreciate the intricacies of costing, budgeting and capital applications. A knowledge of printing and packaging and of German and French is desirable but not essential.

Terms are attractive with salary negotiable around £12,000 and unlikely to be the limiting factor; plus a car and other benefits in line with better practice in the UK. Location High Wycombe.

Please write, in confidence, quoting Ref FT 648 and giving brief details of age, experience, qualifications and present earnings to:

CB-Linnell Limited

8 Oxford Street, Nottingham
MANAGEMENT SELECTION CONSULTANTS
NOTTINGHAM · LONDON

Excellent prospects for a DEPUTY AVIATION UNDERWRITER £10,000 p.a.

A small Liverpool aviation specialist requires an experienced Deputy Underwriter with a view to taking the business underwriting on his retirement. Age 30-40. Excellent conditions of employment. For more details please Caroline Johnson on 01-930 0858 P.O. STAFF CONSULTANTS

Investment Manager

Henderson Administration seeks an additional Investment Manager to work on the U.K. side of its investment department in which the funds are expanding rapidly.

The right candidates will probably have a good degree or equivalent professional qualification and should also have at least two years investment experience.

Candidates should be in their mid to late twenties, be ambitious, decisive, hard-working and able to get on with people. The position is an important one and the salary and benefits will be competitive.

Please reply in your own handwriting, giving full details of your background and experience, to C. G. Clarke,

Henderson Administration Limited

11 Austin Friars, London, EC2N 2ED.

Group Finance Management

City-based c. £17,500

Sophisticated financial planning and information systems, used effectively, are a characteristic of this quoted British engineering group, whose sales are at the £35m level. The requirement is for a Group Financial Controller with Board potential, who will report to the Managing Director. Responsibilities will include tax, treasury and other external relations, as well as the development and implementation of group accounting policies. A substantial contribution to corporate strategy and resource allocation is expected. A background including international operations, preferably in a high-technology environment utilising EDP facilities, would be ideal. Age around 40; the chartered qualification preferred. Appropriate remuneration negotiable and will include an element related to profitability after tax.

PA Personnel Services Ref: AA26/6873/FT

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874

A member of PA International

CAPEL-CURE MYERS LIMITED

FOOD MANUFACTURING ANALYST

We wish to recruit an experienced analyst to join our Research team with specific responsibility for the Food Manufacturing Sector. A University degree or a professional qualification and two to three years' experience in this or a related sector with a stockbroking or financial institution are the minimum requirements. This is an ideal opportunity for someone seeking more responsibility to pursue a satisfying and progressive career.

The appointment will carry a fully competitive salary and participation in the profits of the business. Please send brief details of career to date or 'phone:

The Personnel Manager,
CAPEL-CURE MYERS LTD.,
Bath House, Holborn Viaduct, London, EC1A 2EU.
Tel: 01-236 5080

Trust Officer for expanding Corporate Trustee Department

Applicants should ideally be fully conversant with corporate trustee work.

Salary negotiable and excellent fringe benefits.

Telephone 01-606 5451 or write to:

The Secretary,
The Law Debenture Corporation, Ltd.,
Estates House,
66 Gresham Street, London EC2V 7HX

Research/Sales Executive Japanese Department

Our client is a major, broad based, firm of Stockbrokers with a first class reputation in the U.K. and internationally.

As a result of their rapidly growing Japanese business, they seek an additional executive to play an important part in the further development of this department.

The successful applicant will probably be aged 26-35, with several years in relevant research or institutional sales experience. Knowledge of the Far East is not essential but will obviously be a great advantage. The position should appeal to an ambitious individual who now seeks career advancement through specialisation. It offers excellent prospects and remuneration.

Please contact Fiona Stephens who will treat all enquiries in the strictest confidence.

Stephens Selection Recruitment Consultants

35 Dover Street, London W1X 3RA. 01-493 0617

UNHAPPY EXECUTIVE?

Does your career future look good?
Do you really know what it should look like?
Do you know what your potential performance is?
Could you be wasting most of your talent?
Can you define the working environment you most enjoy?
Does your working day provide fulfillment, stimulus and fun?
Executives wishing to take control of their destinies and achieve quality of life should ring Donald Ham 01-734 0752. Or write to him at:

Royston Ridgeway

Career Managing People
Kent House, 87 Regent Street, London, W.1.

NIGERIA INTERNATIONAL BANKING

We are a recently established, fast-expanding commercial bank in Nigeria. Affiliated to a major international banking group with world wide representation.

We require a suitably qualified person with wide experience in documentary bills and letters of credit for the post of Deputy Manager, Foreign Department in our Lagos head office.

Preference will be given to candidates having previous experience in Nigeria within the age group 30-40.

An attractive benefits package will include generous home leave, education allowance, and fully-furnished accommodation.

Please write to:
Mr. A. Deloz, Deputy Manager, Société Générale
105/108 Old Broad Street, London EC2P 2HR

STOCKBROKERS HOLBORN AREA

REQUIRE EXPERIENCED STAFF IN VARIOUS DEPARTMENTS PLEASE PHONE 405 3711 Ex. 126 No Agencies please

INTERNATIONAL INVESTMENT MANAGEMENT

Crocker Bank has recently formed an International Investment Services Group to service its private clients worldwide. The London headquarters of the Group is seeking a

MIDDLE EAST AREA MARKETING REPRESENTATIVES

To develop marketing plans, to participate in selling the services of the Group and to administer client relationships. A background of successfully selling financial services in the Middle East is required.

Salary and excellent fringe benefits will be offered commensurate with the qualifications and experience of the successful candidate.

Applications with curriculum vitae should be sent in confidence to:

CROCKER BANK Mrs. Helen Thompson
Personnel Officer
Crocker National Bank
34 Great St. Helen's
London EC3A 6EP

APPOINTMENTS SECRETARIAL

Company Chairman (32)

of small commercial property group requires efficient Secretary/PA

Good working conditions in small office. Salary £4,500-£5,000 according to ability.

Apply:
Mr. Grogan, C.C.F. Ltd.
25, Euston Road, NW1.
or telephone 01-287 3814.

ASTLEY & PEARCE LIMITED

have vacancies for Spot Foreign Exchange Brokers with opportunities for posting to the Far East and North America after service in their London Office.

Minimum experience of two to three years required. Salary and terms negotiable.

Please reply in confidence to:
The Managing Director Foreign Exchange,
80 Cannon Street, London EC2N 6LJ.

FINANCIAL MARKETING c. £10,000 + car

25-35, investment and ideally insurance linked schemes to take over established profitable business to London.

INSTITUTIONAL SALES to £12,000 + bonus

26-32 Graduate with research and/or sales experience to join successful team of highly motivated sales staff in established firm of Stockbrokers.

INVESTMENT RESEARCH £7,000-£12,000 +

Our clients, a well known firm of Stockbrokers are currently interested in meeting experienced advisers 25-32 with proven track records to take over established sectors as STORES FOOD REFINANCIAL ELECTRICALS CHEMICALS. Successful candidates are seeking advancement over us. Please send curriculum vitae in confidence to our confidential talk about your expectations.

Stephens Selection
35 Dover Street, London W1X 3RA. 01-493 0617
Recruitment Consultants

MERCHANT BANKERS

London/Hong Kong

Crocker National Bank, a major West Coast United States financial institution with an expanding international presence, has opportunities available for two Merchant Bankers with demonstrated records of achievement and technical competence. One position will be based in Hong Kong and the other in London.

Crocker Bank has established a significant merchant banking record over the past several years. Crocker has made a fundamental policy commitment to expanding its profitable merchant banking business in Asia, Europe and Latin America. The level of business volume has now reached a point where additional professional staff is required.

For immediate consideration for either of these opportunities please send a summary of your background or curriculum vitae in strictest confidence to: Box F.1104, Financial Times, 10, Cannon Street, EC4P 4BY.

CROCKER BANK

COMPANY SECRETARY

£10,000 + car

As Secretary to a major UK public group in the packaging field you will have responsibility for relevant secretarial matters on both a company and group basis.

Considerable liaison with subsidiaries and outside bodies is involved and, as a qualified Secretary, preferably under 50 and with sound experience in an industrial environment, you will enjoy a progressive salary plus a full range of large company benefits.

The appointment is located initially in London with a move to the Midlands later in the year.

For an exchange of information call or write to Keith Diver

Personnel Resources Limited 01-248 6321
Financial Appointments, 24 Hanger House, Old Bailey, London EC4M 7HS

£6,000 accountancy appointments £9,000

These advertisements appeared in the Financial Times on Tuesday, 1st May. For full details see the FT of that date or telephone Julie Burgess on 01-248 8000, Ext. 526.

Job Title	Salary	Location	Advertiser
Head of Finance	from c.£7,000	London	Intl. Planned Parenthood Federation
Project Accountant	from c.£7,500	London	Intl. Planned Parenthood Federation
Manager/ess Accounts Preparation Dept.	—	NW London	Levy Gee
Accountant	c.£7,500	Welwyn Garden City	Financial Times Box A.6743
Young Taxation Accountant	to £9,000 + Benefits	City	Extel Recruitment
Management Accountant	to £7,000	NE London	Professional & Executive Recruitment
Financial Accountant	to £7,000	NE London	Professional & Executive Recruitment
Financial Accountant	c.£7,000 + Car	—	Churchill Personnel
Company Accountant/Supervisor	c.£7,000	—	Churchill Personnel
Aggressive Cost Accountant	—	—	Financial Times Box A.6746
Young Part-Qualified Accountant	£6,500	City	Accountancy Personnel
Chief Accountant/Financial Controller	£8,000	W1	Accountancy Personnel
Accountant	£7,000 +	Victoria	Accountancy Personnel

APPOINTMENTS WANTED

FINANCIAL DIRECTOR, COMPANY SECRETARY, ADMINISTRATION MANAGER

Energetic 42-year-old male, having completed early retirement from a large international group office, services in an executive (or advisory) capacity—full or part-time. June onwards.

Still willing to learn but already with extensive practical experience in most aspects of commercial law and finance also company secretarial practice, pension funds administration, investment, insurance contract negotiation, purchasing, property administration and leasing, personnel administration, some marketing knowledge.

Size of organisation immaterial and would appreciate opportunity where the prime objective is to improve profitability. Locations Southern or South-West England.

Write to Box A.6758, Financial Times, 10, Cannon Street, EC4P 4BY.

BUSINESS CONSULTANT, B.A., M.B.A., returned Middle East, 18½ years assignments U.K. main strength is achieving results. Experience in strategic, computers, new business, all aspects of control. All responses in confidence. Tel: B. Vaughan, 0332 56932.

CHARTERED SECRETARY/Internal Auditor will set up, run, join, internal audit dept. Write 670, Honeypot Lane, Stanmore, Middx.

FEDERAL HOUSING AUTHORITY

Internal and External Advertisement for Auditors

A. Applications are invited from suitably qualified candidates for appointment to the following vacancies in the Audit Services Department.

	Post	Qualifications	Years of Experience
1	Chief Internal Auditor GL. 14 (N8,868-N9,828)	ACA, ACCA	10 years
2	Assistant Chief Internal Auditors GL. 13 (N7,764-N8,724)	ACA, ACCA	7 years
3	Principal Internal Auditors GL. 12 (N7,104-N7,752)	ACA, ACCA B.Sc. (Accounting)	5 years 7 years
4	Senior Internal Auditors GL. 10 (N5,460-N6,432)	ACA, ACCA B.Sc. (Accounting)	3 years 5 years
5	Internal Auditors I GL. 09 (N4,368-N5,340)	ACA, ACCA B.Sc. (Accounting)	1 year 2 years
6	Internal Auditors II GL. 08 (N3,264-N4,164)	ACA, ACCA or B.Sc. (Accounting)	NIL
7	Principal Audit Inspectors II GL. 10 (N5,460-N6,432)	ACCA Professional I, Intermed. Inst. of Chartered Accountants; CIS/HND (Accounting)	5 years
8	Senior Audit Inspectors GL. 09 (N4,368-N5,340)	ACCA Professional I, Intermed. Inst. of Chartered Accountants; CIS/HND (Accounting)	3 years 2 years
9	Higher Audit Inspectors GL. 08 (N3,264-N4,164)	ACCA Professional I, Intermed. Inst. of Chartered Accountants; CIS/HND (Accounting)	1 year NIL

B. Duties Audit Services Department operates on a Management Audit System, and its duties include the Audit of all Financial Records and Transactions; approval of all payment vouchers before actual payment is made. The Department also examines the system of work, procedures, organisations and methods of all Departments of the Authority. The investigations of matters referred to it by other Departments and those it suspects to be irregular. Successful applicants are expected to have initiative, be painstaking and thorough. They will be required to take up duties and responsibilities commensurate with their post and salaries.

C. Salaries and Conditions of Service Point of entry into Grade Levels stated above shall depend on qualification and experience. Other conditions of service are similar to those applicable in the Public Service of the Federal Republic of Nigeria. For example, positions are pensionable, staff quarters are provided or Housing Allowance in lieu of quarters. Contract appointments will be for a minimum period of two years. Fifteen per cent (15%) contract addition will be added to the above salaries and paid to contract officers.

D. Method of Application 10 (Ten) copies of application and curriculum vitae together with photostat copies of certificates should be submitted. The Curriculum Vitae

among other things should give nationality, date of birth and age, marital status, full employment history, and brief description of duties performed at different levels, present or last salary and earliest date of resumption if employed. The applicant shall name three referees, one of which must be the present employer or Head of last Institution attended. It shall be the responsibility of the applicant to ensure that the referees forward their references to reach the Authority on the date and in the manner specified below. All applications and references should be addressed to:- The General Manager, Federal Housing Authority, Festival Town, Badagry Road, PMB 3200, Surulere, Lagos, and to reach him not later than 30th June, 1979. Late applications shall not be entertained. The post applied for or in respect of which a reference is being made should be clearly marked at the bottom left corner of the sealed envelope forwarding the application or the reference.

Applicants in any of the Public Services of the Federal Republic of Nigeria including companies which Federal and/or State Government have interest or Statutory Corporations, shall forward their applications through their employers. Only short-listed applications shall be acknowledged and the Authority shall not enter into any correspondence with other applicants.

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AGE 25-40 c£10,000

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Salary is freely negotiable around the above figure, and the wide range of benefits include a generous mortgage facility, and annual bonus.

Please telephone, in confidence, Mark Stevens

BANKING PERSONNEL

41/42 London Wall London EC2 Telephone: 01-588 0781

(RECRUITMENT CONSULTANTS)

ART GALLERIES

AGNEW GALLERY, 45, Old Bond St., W.1. 01-535 6176. FINE PRINTS OF FIVE CENTURIES. Until 22 May. Mon-Fri. 9.30-5.30. Thurs. until 7.

BLOND FINE ART, 33, Backville Street, W.1. 427 1230. JOHN MACDONALD and his Circle. Oil, watercolours and woodcut. Until 12 May.

BROWNE & DABRY, 19, Cork St. W.1. 2EGAS AND ROBIN - Bronzes and drawings.

COLNAGH, 14, Old Bond St. London, W.1. 01-491 7408. PAINTINGS FROM 16th-18th Century. Until 15 May.

COVENT GARDEN GALLERY LTD., "A PLACE IN THE COUNTRY" Spring Watercolours. Sunday 20, Fossil Street, W.2.

DECORATIVE INTERIORS GALLERY, 01-5710, Moat Rd. 11 am-7 pm, Presbytery building. Emile Jacques Ruhlmann.

FINE ART SOCIETY, 148, New Bond St. W.1. 4828 5118. MORRIS AND COMPANY.

MALL GALLERIES, The Mall, S.W.1. PORTRAIT PAINTERS. Royal Society Annual Exhibition, Mon-Sat. 10.30. Until May 16. Adm. 50p.

SMALL GALLERIES, 22, Bury Street, E.C.1. S.W.1. 1928 CENTURY OIL PAINTINGS. Our current stock comprises a wide range of artistically selected work from £400 to £10,000. For further details phone 01-539 4274-5.

SMALL GALLERIES, 45, Apsley St., Piccadilly, W.1. New selection of fine paintings, including French, Italian, Dutch, and modern British artists paintings and watercolours.

COMPANY NOTICES

THE RIO TINTO ZINC CORPORATION

ANNUAL GENERAL MEETING
NOTICE IS HEREBY GIVEN that the Seventeenth annual general meeting of the Rio Tinto Zinc Corporation Limited will be held at the Commonwealth Hall, The Royal Commonwealth Society, 16-20, Craven Street, London, W.C.1, on Wednesday 20 May 1979 at 11.00 a.m.

- To consider the Company's accounts and to elect the directors to be their representatives;
- To declare a dividend on the ordinary shares;
- To re-elect directors;
- To re-appoint the auditors and to authorize the directors to do their best to secure the re-appointment of the auditors;
- To consider and, if thought fit, pass the following resolution which will be introduced at an Ordinary Resolution:

"That the directors be authorized, down to the date of the annual general meeting in 1980, to issue new ordinary shares of the same value as the shares of the Company already in issue, of which the amount of the aggregate nominal value shall not exceed the aggregate nominal value of the ordinary shares of the Company at present in issue and any additional shares so issued may be issued by way of capitalization of reserves."

"To consider and, if thought fit, pass the following resolution which will be introduced at a special resolution:

"That the directors be authorized to issue new ordinary shares of the same value as the shares of the Company already in issue, of which the amount of the aggregate nominal value shall not exceed the aggregate nominal value of the ordinary shares of the Company at present in issue and any additional shares so issued may be issued by way of capitalization of reserves."

"To consider and, if thought fit, pass the following resolution which will be introduced at a special resolution:

"That the directors be authorized to issue new ordinary shares of the same value as the shares of the Company already in issue, of which the amount of the aggregate nominal value shall not exceed the aggregate nominal value of the ordinary shares of the Company at present in issue and any additional shares so issued may be issued by way of capitalization of reserves."

"That the directors be authorized to issue new ordinary shares of the same value as the shares of the Company already in issue, of which the amount of the aggregate nominal value shall not exceed the aggregate nominal value of the ordinary shares of the Company at present in issue and any additional shares so issued may be issued by way of capitalization of reserves."

"That the directors be authorized to issue new ordinary shares of the same value as the shares of the Company already in issue, of which the amount of the aggregate nominal value shall not exceed the aggregate nominal value of the ordinary shares of the Company at present in issue and any additional shares so issued may be issued by way of capitalization of reserves."

BLYVOORITZICHT GOLD MINING COMPANY LIMITED

A Member of the Barlow Rand Group
(Incorporated in the Republic of South Africa)
CIRCULAR TO MEMBERS

NOTICE CONVENING A GENERAL MEETING BORROWING POWERS OF DIRECTORS

The amount which your directors are authorised to borrow for the purposes of the company is limited by the Articles of the company to £75,000,000. This level was set some 20 years ago and is no longer in keeping with present day practice and requirements. This amount should be revised in order to bring it into line with contemporary needs and to permit the company to conclude a successful programme which includes an intermediate consumer loan of £10,000,000 repayable over 7 years. This loan will be used in the development of the company's property and to finance necessary capital expenditure. Your directors therefore now recommend that a reasonable borrowing limit would be £20 million.

Article 37 of the company's Articles of Association authorizes the company to increase by an ordinary resolution the amount which the directors are authorized to borrow, raise or secure for the purposes of the company. NOTICE IS ACCORDINGLY HEREBY GIVEN that a General Meeting of Blyvooritzicht Gold Mining Company Limited, with the Chairman in the Chair, will be held at the Board Room, 15th Floor, 65, Finsbury Square, Johannesburg, on Friday, 25th May 1979 at 11.00 a.m. for the purpose of considering and if thought fit, passing, with or without modification, the following resolution as an Ordinary Resolution in terms of Article 37 of the company's Articles of Association, namely:
"That the directors be authorized to borrow, raise or secure a total amount of up to £20,000,000 for the purposes of the company, which said amount shall include the aforesaid amount of £10,000,000.
In terms of Section 238(1) of the Companies Act 1973, as amended, it is also recommended that the directors have no interest, direct or indirect, in the aforesaid arrangements.
Any member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend, speak and vote in his stead. The person so appointed need not be a member of the company. Proxy forms should be forwarded to reach the company's Transfer Secretaries in Johannesburg or the office of its United Kingdom Registrars and Transfer Agents not less than 48 hours before the time for holding the Meeting.
For the purposes of determining those members entitled to attend and vote at the Meeting, the register of members of the company will be closed from 15th June 1979 to the close of business on 25th May 1979.
Registered Office: RANO MINES LIMITED, Secretaries, 65 Finsbury Square, Johannesburg.
By Order of the Board,
G. A. CHRISTMAS,
Official Liquidator.

THE HARBORSON PROPERTY AND INVESTMENT TRUST LTD.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Company will be closed for one day only on the 21st May, 1979.

By Order of the Board,
100, Park Lane, RATNAGE, Secretary,
London W1Y 4AR.

LEGAL NOTICES

THE COMPANIES ACT 1948
IN THE MATTER OF
NARIEGLOW LIMITED
Winding-up Order made 18th March, 1979. Date and place of first meeting: Creditors 17th May 1979, at Room 620, Atlantic House, Holborn Viaduct, London EC1N 2HD, at 10.00 o'clock. Contributions on the same day and at the same place at 10.30 o'clock.
G. B. GILLVAY
Official Receiver and
Provisional Liquidator.

THE COMPANIES ACT 1948
IN THE MATTER OF
NARIEGLOW LIMITED
DEALERS IN MICROWAVE OVENS
Winding-up Order made 20th March, 1979. Date and place of first meeting: Creditors 18th May, 1979, at Room 620, Atlantic House, Holborn Viaduct, London EC1N 2HD, at 11.00 o'clock. Contributions on the same day and at the same place at 11.30 o'clock.
H. W. J. CHRISTMAS,
Official Receiver and
Provisional Liquidator.

PLANT AND MACHINERY

CONTAINER HANDLER, 20-ton capacity.
Capable of handling 20', 30' and 40' containers. Operates on 230V, 50 Hz. Mainly operated by crane. Hours worked to date 5,265. Price £24,000. Location: Birmingham Port, L.L.R. Truck Ltd., 4, E. Home Road, Birmingham B8 1TG. Tel: 021-327 5944/5. Telex 337652.

BANK ON OUR EXPERIENCE!

SENIOR SYSTEMS ANALYST £12,000 p.a. + London - New York Travel + excellent benefits. A leading bank currently requires an expert on telecommunications software and on-line applications—you should be familiar with IBM TCAM/CICS/DOS-Vs. With excess methods in DEC teleprocessing also being desirable. The ability to analyse and specify network processing and interface software—would be an advantage along with knowledge of message switching and line protocol software. This interesting opening will allow you to participate in a study effect of functional analysis and specification of an internal/external network.
SENIOR BANKING CLERK £8,000 p.a. + A newly established City branch of an overseas bank has an opportunity for someone (aged 35-45) experienced in Documentary Credits and some knowledge of FX reconciliations.
INTERNAL AUDITOR £9,000 to £11,000 p.a. Required for highly respected continental bank. Aged 26+, you should ideally have foreign banking experience.

LJC Banking Appointments
01-263 9958/9—for an immediate appointment

Accounts Manager

Saudi Arabia £12,000

One of the best known companies in Saudi Arabia with trading, contracting and industrial interests is seeking an Accounts Manager. The company already employ many expatriates and expansion has created this key appointment which offers an excellent career opportunity.

The person appointed will assist and deputise for the Financial Controller and will be responsible for the overall supervision of the branch accounts departments and prepare monthly reports. He will also be involved in the annual accounts and preparation of group budgets. A new computerised accounts system is being introduced which will eventually handle all aspects of accounts and stores.

Candidates should be ideally aged 25-30 years and be Chartered Accountants with commercial experience.

Salary is payable in Saudi Riyals equivalent at present to around £12,000 per year, tax free. Free furnished accommodation, a car and free medical cover are provided. Initially, the contract calls for a single or unaccompanied married person offering two home leaves per year.

Contact: Colin Hodson, PER Overseas, 43 Grosvenor Place, London S W1X 7SS.

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ART GALLERIES

PARKIN GALLERY, 11, Mount St. W.1. 256 8164. THE MARSH OF WHISTLER. James McNeill Whistler's Insistence on 18th and 20th Century graphics. Until May 12.

SANDBOX GALLERY, 39, Grafton St., E.C.1. S.W.1. 1928 CENTURY OIL PAINTINGS. Our current stock comprises a wide range of artistically selected work from £400 to £10,000. For further details phone 01-539 4274-5.

SMALL GALLERIES, 45, Apsley St., Piccadilly, W.1. New selection of fine paintings, including French, Italian, Dutch, and modern British artists paintings and watercolours.

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DECORATIVE INTERIORS GALLERY, 01-5710, Moat Rd. 11 am-7 pm, Presbytery building. Emile Jacques Ruhlmann.

BOND DRAWINGS

INTERNATIONAL UTILITIES OVERSEAS CAPITAL CORPORATION

5% Guaranteed Convertible Bonds 1986

S. G. WARBURG & CO. LTD., announce that the redemption instalment of U.S.\$315,000 due 1st June, 1979 has been met by purchases in the market to the nominal value of U.S.\$30,000 and by a drawing of bonds to the nominal value of U.S.\$285,000.

The distinctive numbers of the bonds, drawn in the presence of a Notary Public, are as follows:-

7211 to 7219	7241 to 7250	7281 to 7290	7304 to 7309	7321 to 7323
7241 to 7250	7281 to 7290	7304 to 7309	7321 to 7323	7351 to 7359
7412 to 7413	7419 and 7420	7430 to 7433	7445 to 7448	7459 to 7504
7538 and 7540	7552	7570 to 7573	7581 to 7590	7621 and 7622
7626	7630 and 7637	7641 and 7642	7658 to 7664	7683 and 7684
7662 to 7664	7667 to 7669	7671 to 7676	7686 to 7704	7706 to 7711
7727 and 7728	7742	7748 to 7756	7761 to 7763	7769 and 7770
7780 and 7781	7799 to 7802	7827 to 7840	7842 to 7858	7863 and 7864
7804 to 7814	7819	7823 to 7835	7837 and 7838	7859 to 7861
7844 and 7845	7851 to 7855	7857 to 7874	7877 to 7880	7884 and 7881
8016 to 8020	8046 to 8055	8059	8061	8063 to 8066
8087 to 8095				8074 to 8085

On 1st June, 1979 there will become due and payable upon each bond, drawn for redemption, the principal amount thereof, together with accrued interest to said date in the office of:-

S. G. WARBURG & CO. LTD.,
30, Gresham Street, London, EC2P 2EB,

or one of the other paying agents named on the bonds.
Interest will cease to accrue on the bonds called for redemption on and after 1st June, 1979 and bonds so presented for payment must have attached all coupons maturing after that date.
U.S.\$2,201,000 nominal bonds will remain outstanding after 1st June, 1979.

The following bonds, previously drawn for redemption on the dates shown below, have not yet been presented for payment:-

1st June, 1977	
11289	11611 to 11630
1st June, 1978	
278	285 to 303
478 to 480.	486 and 497
	392 to 400
	853
	657
	481 to 480
	559 to 681

30, Gresham Street, London, EC2P 2EB.
3rd May, 1978

BUSINESS AND INVESTMENT OPPORTUNITIES

Handwritten note: 150

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

Office of Court Usher Edmond Luyten
Justitiestraat 9 B-2000 Antwerp - Belgium
Tel. 031/37 76 66

PUBLIC SALE BY ORDER OF THE COURT
of the sea-going ship CHRISTINA I
in
ANTWERP BOATSMEN'S EXCHANGE
Lange Nieuwstraat on TUESDAY, 22nd MAY 1979, at 4.30 p.m.
(after the afternoon chartering session)

By decision of the Seizing Judge of the Antwerp Court of First Instance, dated 16th March, 1979, court usher Luyten will proceed, with reserve of higher bid, to the public sale of the sea-going ship CHRISTINA I, flying the Cypriot flag, now moored in the port of Antwerp at No. 148 of the docks, registered at Limassol. She was built in France by the "Forges et Chantiers de la Gironde," at Bordeaux and completed in February, 1978. Length 169.1 m, width 20.9 m, gross tonnage 11,911.71 tons, nett tonnage 6,455.63 tons. Equipped with a Dürmeister two-cycle, single-effect, turbo-blower diesel engine No. 271 Type 874 VTBF 160, 11,027 hp at 118.8 rpm, built by the Societe des Forges et Ateliers du Creusot, in France. With certificate of classification issued by Bureau Veritas, valid until January, 1981 and 1982 (may be inspected at the usher's office).

View: by telephone appointment and with the court usher's permission.
Conditions: available at the court usher's office.

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Tel: 0424 430824

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BLOW MOULDING PLASTICS COMPANY
As part of its rationalisation plans a West European Group is giving active consideration to divesting, in whole or in part, of its interests in its Dutch subsidiary. Modern facilities, unique market position, present Turnover DFL 10m, growth potential in packaging market and technical blow mouldings. Operation includes injection moulding and printing facilities. Further capital required to meet expansion opportunities.
Interested parties write Box G.3771, Financial Times, 10, Cannon Street, EC4P 4BY.

SPECIALIST PRINTING
Interesting opportunity to purchase a small highly specialised company which has developed letterhead and 3-dimensional printing and also security printing technology.
This Surrey-based company is currently manufacturing in modern leasehold premises of 3,000 sq ft. purchase with comparable interest, particularly in marketing and sales, should find this an excellent opportunity to take advantage of the stage 1 work and expenditure which has taken place.
Enquiries from principals only to: The Chairman, Box No. 97/578, Hanway House, Clerk's Place, Bishopsgate, London, EC2.

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Trade about £174,000
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Write Box G.3772, Financial Times, 10, Cannon Street, EC4P 4BY.

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Established small Dutch Air-freight and agency company (B.V.). Situated Schiphol Airport. Principals only please write Box G.3773, Financial Times, 10, Cannon Street, EC4P 4BY.

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Substantial interest with or without management participation in fast growing Midlands-based fastener distributors. Turnover £1 million, with above average profits.
Principals only.
Please reply to Box G.3761, Financial Times, 10, Cannon Street, EC4P 4BY.

BUSINESSES WANTED
wishes to expand its interest by acquiring a company engaged in the production of plastic pipe and profiles. Interested parties please write in confidence to: Box G.3778, Financial Times, 10, Cannon Street, EC4P 4BY.

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A whisky business with substantial capacity, good brand name and stocks of grains and malts. For details, principals only, write Box G.3773, Financial Times, 10, Cannon Street, EC4P 4BY.

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Stainless and Mild Steel fabrication operation. Established several years but proving an uncomfortable drain on a small owner's resources. This activity has great potential in the right hands. Excellent premises (40,000 sq ft in Central Midlands). Well equipped (ASME coding, etc.). 35 employees (25 direct). Good IR and potential to recruit. Would suit established sub-contractor wishing to expand or operation with appropriate product to manufacture. Write for outline details to Box G.3767, Financial Times, 10, Cannon Street, EC4P 4BY.

A PRIVATE GROUP OF COMPANIES
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FLEURETS, Chartered Surveyors, 19, Bloomsbury Square, London, WC1A 2NB, 01-638 8935.

HOTELS AND LICENSED PREMISES
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Well established hotel close to the City Station. 50 Bedrooms, 7 Function Rooms, 4 Bars and Restaurants. Centrally heated. Turnover £250,000. Losses to 2010 at £5,250. Includes include fixtures and fittings.
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LOMBARD

Disarming the Treasury

BY PETER RIDDELL

THE TREASURY is a much criticised institution—a target for popular abuse like the Press. Both are credited with more power for good or, more often, ill than the inhabitants of either Great George Street or Fleet Street would themselves claim. Yet in neither case are the critics by themselves brushed aside. The conspiracy case against the Treasury is that a slightly sinister but highly intelligent group of men and women are seeking to impose their views on right-thinking but weak Ministers. Hence they are frustrating the desired goals of socialism/laissez-faire/déité whichever is unfashionable. This is unconvincing since it ignores the force of outside pressures, notably the financial markets, or the influence of strong Ministers, such as Mr. Healey.

Dithering

The opposite view is that the Treasury is a group of hard-working people patiently coping with the U-turns and dithering of Ministers and trying to keep Britain on an even keel. There is more in this than the critics recognise but the officials are not quite as apologetic as they might pretend, even if they are neutral between the parties. Treasury influence does exist and it is not merely an extension of the Chancellor's own power.

Assumptions

These suggestions are sensible but they take only one side of the criticisms which the Treasury has brought on itself by its secrecy. It is important not only that the Chancellor hears the views of outsiders but also that outsiders should know what is happening within the Treasury. As Dr. Budd recognises, the publication of more complete forecasts since the 1973 industry Act has not produced the slightest benefit to the management of the economy. For instance, last November's forecasts bore no relation to those used internally for policy decisions because of different pay assumptions. And even if the numbers are genuine they are published after the relevant policy decisions have been taken.

The real need is for a wide range of numbers and policy papers to be published, not just the figures supporting the final decisions. After all, for a few years after the last war projections were published in advance of the Budget. Increased openness works both ways and such changes might disarm the Treasury's critics as much as the institution itself.

WEST GERMANY

Industrial balance of power

WHATEVER government is returned to power in today's election, one of its principal tasks will be to attempt to establish a stronger basis for peace on the industrial front. It may take a long process of education, and even of legislation, to bring home the fact that in a technologically advanced and highly concentrated economy the prosperity of an enterprise is as much in the interest of the employees as it is the interest of shareholders. The conventional assumption that the interests of the enterprise are identical with those of the shareholders owning it is now the subject of a debate on both sides of the Atlantic.

The first judicial contribution to this debate has now been made by the German Constitutional Court which in its judgment of March 1 (the full text of which has now become available) clearly took the view that a large industrial enterprise must be seen as a social as well as a purely economic institution. The Court has rejected complaints of unconstitutionality lodged by German employers against the latest version of the Mitbestimmungsgesetz—the German industrial democracy law. Passed nearly three years ago, the law which became fully

effective last summer, provides for almost equal representation between shareholders and workers on the supervisory boards of some 650 German companies with more than 2,000 employees. The equality of representation is not absolute as at least one of the worker directors must be a senior executive of the company, and the chairman, elected from the shareholders' side, has a

worker directors are necessary as a countervailing force to the banks whose interest may be alien to that of the employees and who are not party to the traditional loyalties existing between management and employees in German industry. Though receiving less publicity than the workers' directors issue, the right and wrong of bankers' industrial power has been hotly contested for

BUSINESS AND THE COURTS

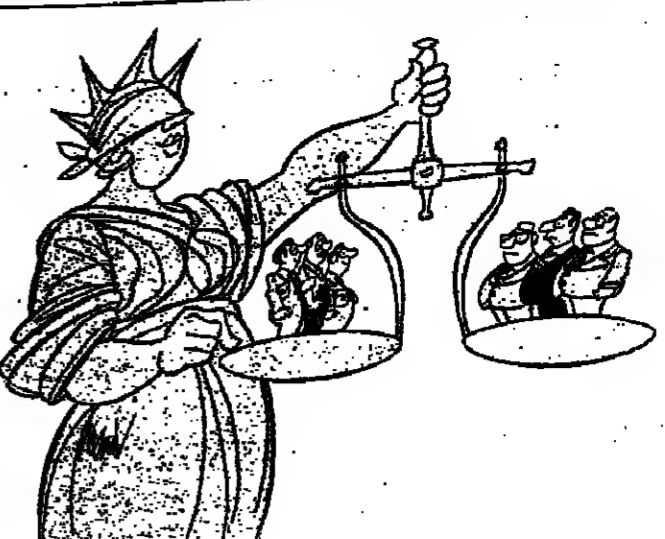
BY A. H. HERMANN, Legal Correspondent

casting vote in the event of a tie. Moreover, employers particularly dislike the fact that the legislation opened the boardroom door to trade union officials not employed in the enterprise. Two or three can be now elected as employee representatives.

years and the German Monopolies Commission has proposed that their equity participation should be restricted to 5 per cent of any enterprise.

The basic concept of the Constitutional Court comes out most clearly in that part of the judgment which admits that the legislation represents a certain restriction of entrepreneurial freedom. "This is the price," said the Karlsruhe judges, "for supplementing the business mandate of the management of a large enterprise with a social mandate—a price for the cooperation and integration of

from interference by trade unions, it would be up to the Bundestag to provide a remedy. The Court was emphatic that the strengthening of workers' representation on supervisory boards did not infringe the constitutional guarantee of freedom of association. Such a possibility might arise in the case of small entrepreneurs forming a company in which they continued to work as individuals but the Court doubted whether the constitutional guarantee of freedom of association was meant to benefit large capital-based companies where the personality of individual shareholders had little significance.



that the aims of the enterprise would be achieved. The inapplicability of the constitutional safeguards of free association, which even more evidence said the Court, when a company was formed not by individuals but by legal entities such as was often the case in companies which were part of groups and whose shares were held by holding companies. Also the fact that voting rights often had no connection with individual membership but followed only the magnitude of invested capital, and that voting rights could be exercised by proxies who were complete outsiders, was seen by the Court as evidence that a company was more a device for the accumulation of capital than for the association of persons enjoying the constitutional freedom of association.

One In A Million another for Warren Place records

SIR NOEL MURLESS sent out six One Thousand Guineas winners from Warren Place, and his successor there, son-in-law Henry Cecil, looks all set to add to the stable's outstanding post-war record through One In A Million.

attractive odds could be fully. Not only has One In A Million done nothing wrong to her three appearances, but in landing the Ladbroke Nell Gwynn Stakes the Newmarket filly put up the most impressive trial performance by any classic candidate this season.

One In A Million was five lengths ahead. Although Devon Ditty may not have been fully wound up in the Nell Gwynn and was attempting a formidable task in trying to concede 7 lbs in a filly, it is good to see her herself, the prospects of a turnabout strike me as virtually non-existent.

RACING

BY DOMINIC WIGAN

Guineas proved ignominious failures, and the last four Newporter classic winners, Nebbiolo, Roland Gardens, Mrs. McArdy and Ensone Spark, were returned at 10/1, 20/1, 10/1 and 35/1 respectively, there is every indication that One In A Million can turn the tide. Anticipated odds of about 5-1 will make little appeal to many, but on this occasion a search for an alternative at more

underlying that of a top-class miler, for the Mercer twice asked her to tuck and on each occasion the response was instantaneous. Sent into the lead more than three furlongs out, One In A Million—a well-balanced Rarify filly—then fell back before regaining the advantage with a burst of speed which carried her through a narrow gap between beaten fillies. From that point on, the result was never in question and it was simply a case of by what margin she would inflict a defeat on the long-time favourite for today's classic, Devon Ditty. At the line,

A better each-way alternative to Devon Ditty, whose chance of getting a mile (a furlong further than the Nell Gwynn) in a fast-run race appears only marginally better than that of her reversing places with the favourite, seems to be Lyric D336c.

ENTERTAINMENT GUIDE

OPERA & BALLET

COLISEUM. Opera. 8.15-9.30. 3258. ROYAL OPERA HOUSE. 8.15-10.15. ENGLISH NATIONAL OPERA. 8.15-10.15. ... (Detailed listing of opera and ballet performances)

THEATRES

GLORIE THEATRE. 8.15-10.15. 1922. ALBERT. 8.15-10.15. ... (Detailed listing of theatre performances)

THEATRES

ADRIAN. 8.15-10.15. 7811. ... (Detailed listing of theatre performances)

NEW MARKET

2.30—Rabian. 2.30—Sea Chimes. 3.45—One In A Million. ... (Detailed listing of New Market performances)

SCOTCH

9.40 pm Folia. The Cal. 8.50 Film. ... (Detailed listing of Scottish performances)

SOUTHERN

9.30 pm "The Sound Barrier" (film). ... (Detailed listing of Southern performances)

TYNE TEES

8.30 pm The Good Word. 9.30 pm The Good Word. ... (Detailed listing of Tyne Tees performances)

ULSTER

8.45 pm Film: "Destination Tokyo". ... (Detailed listing of Ulster performances)

BORDER

8.30 Play Sale. 9.45 Finntones. 10.10 Film: "The Long Walk". ... (Detailed listing of Border performances)

CHANNEL

1.15 pm Channel News. 5.50 Give Us A Clue. ... (Detailed listing of Channel performances)

GRAMPAIN

9.30 am Fiar Thair. 9.40 "Loural and Hardy's Laughing 20". ... (Detailed listing of Grampain performances)

GRANADA

8.30 am Soapbox Street. 10.25 The Outsiders. ... (Detailed listing of Granada performances)

HTV

9.35 am Cheyenne Autumn. 12.00 Mezz and August (5). ... (Detailed listing of HTV performances)

BBC 2

6.40-7.55 am Open University. 11.00 Play School. ... (Detailed listing of BBC 2 performances)

BBC 1

9.41 am Schools. 12.25 pm News. ... (Detailed listing of BBC 1 performances)

F.T. CROSSWORD PUZZLE No. 3,962

Crossword puzzle grid with numbers 1-28 indicating starting positions for clues.

- ACROSS
1 Inefficient group of workers do not get so much (9)
2 Nothing to change but a vest-vested (5)
3 Branch of society men start talking for amonulation (9)
4 Conceal action in players' dialogue (10)
5 Young lady happens to omit postscript, being out of (10)
6 Cowshed near to soldiers (14)
7 Easy when man follows in centre of vessel? (7)
8 Turn north-east before field and fence (7)
9 Televisual coarse riddles (7)
10 Gift to give now (7)
11 Possesses gas hut it makes a mess (4)
12 Collides with stolen ball (6,4)
13 Document case in office of minister of state (9)
14 Look in employ (5)
15 Electrical unit never constructed with power initially inside (5)
16 Money for occupancy, just a little torn-up (7,5)
DOWN
1 Canoe? It's a wash-out (5)
2 One who sees new politician and prime minister (9)
3 Where a person works, but gets nowhere (15,5)
4 Observe a little sign of crying (9,4)
5 Fish for South African religious leader in cat (7,1)

Solution to crossword puzzle No. 3,962, with words filled in the grid.

Radio Wavelengths

Table listing radio stations and their frequencies: 1 105.5kHz/255m, 2 106.5kHz/275m, 3 121.5kHz/247m, 4 200kHz/1500m, etc.

RADIO 1

5.50 am News Summary. Radio 2. 5.00 am News. ... (Detailed listing of Radio 1 and 2 programs)

RADIO 2

5.00 am News Summary. Radio 2. 5.00 am News. ... (Detailed listing of Radio 2 programs)

THE ARTS

Handwritten note: "J. P. Miss 1950"

Lyttelton

For Services Rendered by B. A. YOUNG

Though the play is set in 1932, and the first world war has been over for 14 years, all Maugham's characters in For Services Rendered are still obsessed with it.

now and then that His Majesty had made him a gentleman, though he is now a common little drunk. Gwen has married wealthy Wilfred Cedar, who never talks about soldiering and was presumably a "profiteer."

the war, and goes on, in a speech that must have had more power in 1932 than it does today, when its sentiments are conversational small change, to indict the governments under whom wars are allowed to begin.

family, for instance, consoles himself for having been too old to serve in the forces with the recollection that he "had himself enrolled as a special constable," an honour which he invests with as much dignity as Collie's DSO.

The Ardsley family, an updated version of the Frodo family in Three Sisters, feel the post-war backlash in various ways. Sydney is blind, and his sister Evie has heroically taken on the task of looking after him, thus depriving herself of a life of her own.

Maugham, being an old-fashioned craftsman, provides all his characters with a subplot each, mostly of a romantic nature; but being given to stirring things up, he does not offer them happy endings. Self-sacrificing Evie (Alison Fiske) imagines escape by marrying Collie (John Quayle), the ex-Naval Officer, DSO who runs a garage; but Collie has such business troubles that he shoots himself, and she goes gently insane.

Too often I felt that Maugham was dealing with the dialogues into which so much of the play resolves itself with dialogue that made its point but offered no other pleasure. All the same, this is a well-made play, and for all the snobbery of its characters, and the vulgarity and cheapness of some of their actions, it is a play written from the heart, designed to emphasise that the casualties are not the only harm that war inflicts. It can war society for long after the hostilities are over. It is true that the society Maugham concerned himself with was nothing to mourn over, and that there were infinitely worse tragedies at other levels of the population; but this was the shot that he had in his locker, and he discharged it as effectively as he could.



Elizabeth Romilly, Ian Hogg, Harold Innocent and Barbara Ferris

Elizabeth Hall

Zoroastre by RONALD CRICHTON

The fourth of Rameau's great tragédies lyriques, Zoroastre, was heard in Britain for the first time on Tuesday evening—the latest in a series of major Rameau revivals by the English Bach Festival. They have changed our musical landscape from two points of view, concerning French baroque opera in particular and grand opera in general.

cuts, Zoroastre kept the large, patient, well-disposed audience in its seats until 11 o'clock. The singers for Zoroastre were, however, in costume. Since their stately (and on the whole well managed) comings and goings threw little light on the action and brief explanations by an unseen narrator did not add much more, Rameau's divertissements, which he and his librettist Cahusac had taken such trouble to integrate into the action, lost, as given here, a good deal of their point.

The opera's hero is better known to us as Zarathustra. The plot has two main threads—an elevated struggle between good or light (Zoroastre) and evil or darkness (Abramane), and a mundane struggle for the hand of the princess Amélie. Abramane is backed by a wicked princess, Erinnice, Zoroastre by Oromases, whose function is not unlike that of the Speaker in Die Zauberflöte. The happy end is reached after a sequence of spectacular events calling for scenic elaboration unusual even by the standards of Rameau's day.

As Vengeance was impressively if monotonously loud. In Zoroastre Rameau developed his flexible form of recitative, slipping in and out of short airs or duets, to new lengths. But the score is also rich in sizeable arias—Amélie has a charming one quite soon in the first act, just before the instrumental version of Les Tendres Plaintes, better known as a barpsichord piece. There is a fine bravura number for Zoroastre in Act 3, which somehow doesn't clash with the general serenity of his music. In the last act the lovers have a substantial duet. There are choruses of great variety, brightly sung. One of the most memorable was the simple unison strain for sopranos (surely Gluck knew it) at the first entrance of Amélie. Somehow or other we must bear the riches of Zoroastre again.

Zoroastre, like other big works of Rameau, exists in two versions. It was first given (in Paris) in 1749, then re-worked seven years later with a new character added (Oromases, King of Gené) and considerable alterations to three of the five acts. It was this 1756 version that Miss Lalandi and her team chose. Wisely, in view of the length of the opera and the amount of work entailed in making a new edition (by Graham Sadler), to say nothing of other problems, it was decided to give, not the complete score, but major excerpts.

The solo singing had a vigour, confidence and, when required, sweetness, not always heard in Rameau. Michael Goldthorpe delivered the high tenor role with an admirable combination of those qualities, avoiding both the strains and the miming affectations to which takers of these fearsome roles are often prone. The two princesses, Amélie the good and Erinnice the wicked, were most effectively contrasted by Anne-Marie Rodde and Felicity Palmer. Michael Rippon sang full-throatedly as Abramane. Ian Caddy as Oromases gave an object-lesson in stylishness, John Tomlinson

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The original idea had been to have the EBF Dancers perform the ballets in which Zoroastre abounds, in costume. That proved impracticable. So instead they started the evening with a repeat of Rebel's Les Elements seen on the first night of the festival. A mistake—even with presumably considerable

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Record Review

Barenboim, Zimmerman, Ax, Grainger

by DOMINIC GILL

Seubmann: Fantasia op 17, Kinderszenen op 13, Arabeske op 18. Daniel Barenboim. DG 2531 089 (14.75)

Chopin: Piano concerto No. 1 in E minor. Krystian Zimerman, Los Angeles PO/Giulini. DG 2531 125 (14.75)

Chopin: Piano concerto No. 2 in F minor, Trois nouvelles études, B flat minor Scherzo. Emanuel Ax, Philadelphia Orchestra/Ormandy. RCA Red Seal. RL 12888 (14.25)

Grieg: Piano concerto. Percy Grainger (on Duo-Art piano roll) with Sydney SO/Hopkins. Grainger: Orchestral pieces, cond. Stokowski and his SO. RCA Red Seal RL 10168 (14.25)

The heart, and still centre, of the performance is the finale—a true lento sostenuto, distillation of intimate song, and intimate, loving glance, dark and deeply sighing. The DG sound-quality is excellent, warm and close. As I am constantly at pains to point out to those who approach me for Best Buy: beyond a certain point there are no better performances, just as there are no better performers, but only different ones. I'd not be willing to forfeit any one of these three new Fantasies: on a Desert Island, each has its honourable place.

quicker, more subtle in its response. It is a brilliant performance, better than anything I have heard Ax give live in London, and it deserves success. The Australian-born composer Percy Grainger (1882-1961) was better known to audiences during the greater part of his lifetime as a distinguished concert pianist. He was famous in particular for his performance of Grieg's piano concerto—which he had studied with Grieg a few months before the composer's death in 1907, and which Grainger subsequently performed hundreds of times under a score of conductors right up until the early 1950s.

The problems of preparing a live orchestral performance with a mechanical soloist must have been enormous: but John Hopkins and the Sydney Symphony Orchestra seem to have overcome them convincingly. The result is a robust account of real presence and character—is more than just a curiosity. Pungent too, and in places odd: but not eccentric, delivered with fervour, but never hastily or carelessly turned. As a performance it grows on one: for all the circuits and levers between finger and ear, Grainger is unmistakably there.

We now have new recordings of Schumann's C major Fantasia from the three most important pianists of the younger middle generation. Pollini's is majestic cut in crystal, caressed by fierce and tender breezes. Martha Argerich's is blown by a gale, and to my mind one of the best things she has ever recorded: wild and glittering, threaded with marvellous poetry, for all its passing strangeness, powerfully coherent. And now Barenboim, too, offers a performance of the greatest distinction, and utterly different from either.

Krystian Zimerman is the young Polish pianist and Warsaw Competition first prizewinner whose Elizabeth Hall debut last year, and subsequent disc of Chopin Waltzes for DG, I have already praised highly on this page. Nothing I have heard has as yet contradicted my first impressions that he is a very exciting young pianist indeed. His new account of the Chopin E minor concerto is masterly: sparkling with vigour and effortless bravura, beautifully articulated, strongly sustained. But with the fire and energy, there is also a fine measure of careful control and balance—some would call it "classical poise"—gracefully mixed. Giulini's accompaniment is discreet but tireless, matching Zimerman's every youthful rush and surge. The DG sound again is very good. An exhilarating record, highly recommended.

There are many good things also to be said about the F minor Chopin concerto of Emanuel Ax—another young pianist of Polish origin, whose career was also launched by winning a competition, in Ax's case the first Rubinstein Competition in Israel in 1974. The tremulous drama of the larghetto especially is beautifully conceived and executed, its half-lights, as well as the broad outline, finely drawn; and the finale is done with great spirit, touched with some blue humour. Sometimes, as lacks Zimerman's mercurial impulse: just occasionally, notably in the first movement, the flow of the music seems by comparison a shade earthbound, constrained. But comparison is probably unfair: Ax paints Chopin in different colours, and his palette if anything has a wider range—

The flip side, in every sense, offers seven of Grainger's most popular orchestral concoctions, recorded by the composer with Stokowski in New York in 1950. They are all of them rumbustiously charming and extraordinarily vulgar: but they have a certain memorable insistence, and in the three items particularly in which Grainger himself plays, *Hondd in the Strand*, *Country Gardens*, and *Shepherd's Hay*, a fine ring of manic authenticity; and as yet another leaf of the historical document—Grainger was a great deal more fascinating as a man, and a theorist, than as a composer—they are genuinely touching.



Daniel Barenboim

Staatsoper, Munich

A Bournonville celebration

Twenty-five years ago it would have been unthinkable that this year's centenary of the death of August Bournonville should be so widely and so handsomely celebrated. But in 1953 the Royal Danish Ballet ventured in force to Covent Garden to reveal the splendours and delights of its Bournonville heritage and the excellence of its dancers. Thereafter tours round the world and the world's eagerness to acquire the style and the ballets of Denmark's choreographic master, have taught us to know and love both the dramatic vivacity of the works, and the joyous grace of the dance manner they enshrine. So, in this centenary year, Scottish Ballet will have an Edinburgh season devoted to Bournonville; Festival Ballet will acquire La Sylphide in a staging by Peter Schaubas; the Munich Ballet under Lynn Seymour presented a Bournonville evening on Sunday, on which I am reporting; a concert group of Danish stars will make a short tour in the U.S. and Europe with a divertissement programme containing some rarities of the Bournonville repertory; and in November the Royal Danish Ballet will present a festival containing seven different programmes to honour their presiding genius. It is some comment upon the validity of Bournonville's ballets, and on the undiminished beauty of his school, that his greatness should seem all the more apparent, and the challenge of his work all the more demanding, a hundred years after his death.

opening of a festival Ballet week, brought an admirable new production of La Sylphide preceded by a divertissement, and it showed the Munich Ballet—now under the direction of Lynn Seymour—in fine fettle. The Sylphide is produced by Foul Gaat and Kirsten Ralov of the Royal Danish Ballet, and decorated by Andrzej Majewski, a leading off Polish designer. Majewski has provided entirely excellent sets and costumes: a first act baronial hall that recalls the manner of Ciceri, greatest decorator of the Romantic theatre, and a second act glen of shadowy, dream-like mystery (albeit I found the stage badly underlit)—the charm of a sunrise that should comment upon the sylphide's delight in showing James her realm was missing. Majewski is also good on bits and bobs: just slightly less so on the women's kirtles, which tend to an untypical lightness; and ideal on the sylphides' dresses—simple, unadorned, delicate.

The production insists upon clarity and momentum in recounting the drama. One might almost find it uninteresting in its onward drive in act one, but it catches that feverish quality of French romanticism which Bournonville so deplored but had to copy, reluctantly, in his least typical of all his ballets. The uncase and spiritual disquiet that underlies the narrative—local colour as dressing for an optimum dream; Bello's *Symphonie Fantastique* with a reel instead of a waltz—is one of the oddest aspects of

desperate crisis that Niels Kehlet has taught us to see in the role, Breuer yet gives a bold and convincing account of the part, and he reveals in his virtuoso demands. And as Madge, Lynn Seymour makes a wondrous, dominating figure of the old witch: a moment of defiance with James in Act 1, a long-held and terrifying pose, arm upraised; her prompting of Gurn in the glen, and her final triumph over James, given a malevolent demonic gleam.

The Bournonville divertissement which opened the evening was mounted by Kirsten Ralov and Fredbjorn Bjornsson. It was the customary admixture of the secret from Nopoi, the trio from Abdallah, and the duet from Flower Festival in Genzano. It stressed, as La Sylphide did not, the fact that to dance Bournonville correctly the interpreter must be trained in the style from the schoolroom: nothing else will prepare the feet, give that lightness to the leg and vitality to the thigh, enliven the quick fixings of foot and knee; and instil that resilience and buoyant grace to the body, which are the hallmarks of the Bournonville manner. The Munich cast did well enough according to their lights—they looked happy, and one soloist, the delightful Louise Lester, showed herself a musical and fleet executant, with an unaffected and generous style. All in all, a fine start to Bournonville year; and a feather in Lynn Seymour's directoral cap.

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Thursday May 3 1979

ECONOMIC VIEWPOINT

The 'problem' of pay in the public sector

BY SAMUEL BRITTAN, Economics Editor

A change of direction

If the election campaign had been fought simply on the record of five years of Labour government the issue would not be in doubt. In terms of inflation, output, unemployment, this country has done worse than any of its major industrial competitors.

Lessons forgotten

It is true that since last year's Budget the performance has been less convincing. Control over public spending has been relaxed. Inflation is tending upwards again.

That these doubts are a crucial factor in the election reflects both on Mrs. Thatcher and Mr. Callaghan. Mr. Callaghan has sought to convey the impression that he is the safe choice.

Mrs. Thatcher for her part has tried to convince people that what is needed is a genuine change of direction and that she can bring it about. There will have to be changes of policy, but what is really necessary is a new and different approach.

If we in this country had the American political system, the result would certainly be a Conservative Parliament with Mr. Callaghan presiding over the executive. But that is not a choice which is available.

Clear-cut choice

All parties have promised to cut taxes, Mr. Callaghan rather more grudgingly than the Tories and the Liberals. None of them have made a particularly convincing case on how they will make up the shortfall in revenue.

When all has been said, and by this morning it has been, the question which the electorate has to decide is which of the two main parties will make the better fist of running the economy.

A broader vision

The Tories in total contrast, believe that it is the role of the individual rather than that of the state which is crucial. It is against this general background that their promises to reduce direct taxation, to deal with such issues as the closed shop, their determination to cut government spending have to be seen.

They believe that not only the economy but our everyday lives are over-regulated, that the vision of the future held out by Labour is grey and drab and stifling of individualism. Judging by what has happened to this country it is an argument which cannot be rejected easily.

IT MAY seem paradoxical to put the "problem" of public sector wages in quotation marks when some of the weightiest briefs facing returning or incoming Ministers will have this title. It is nevertheless arguable that the label is a systematically misleading one.

For the thought behind it is that whatever happens in the private sector the Government as an "employer," "must" have a policy for the 7m workers in the public sector.

For we should make no mistake. The compromise idea of a pay policy for the public sector alone will not stick. Public sector unions will rebel—and rightly—against the imposition of pay norms which do not apply equally to private industry.

Nor are "cash limits" a magic device which if pursued with sufficient rigidity and precision will produce the effects of pay policy without the name. Cash limits are simply public spending targets in actual money which most governments have always used but which in Britain were dropped and then reinvented under a fancy name.

Fluctuating fortunes

The key feature of any chart of public and private sector wages is that however volatile the year-to-year movements—themselves largely reflecting the fluctuating fortunes of pay policy—there is a remarkable long-term stability in the ratio of public to private sector pay.

The problem for 1979-80 is that the estimates of public spending in actual as distinct from fancy money—and therefore of the borrowing requirement—are too low because they are based on the defunct 5 per cent pay norm, together with Mr. Callaghan's "low pay" concessions and a few deferred higher settlements, such as those of the police and firemen due to come into effect in 1979-80.

There simply is not room for cuts in the overall tax burden. Real spending cuts will be required simply to allow the indexation of the tax starting points and thresholds, even if the Exchequer duties are indexed too.

The initial Treasury instinct is to finance the contingency reserve wage increases not taken into account in the existing spending estimates. There are two reasons for misgivings here. First, the contingency reserve, fixed at £800m for 1979-80 in the Public Expenditure White Paper, may not be large enough.

An alternative approach, favoured by some politicians, is to say: "We will honour our pay norms, and make manpower economies to stay within the cash limits." But with the cash limits fixed at unrealistic low levels, this will not work either.

As far as central government is concerned, natural wastage accounts for 8 to 12 per cent per annum of all employees. It excludes those whose replacement is indispensable, stopping recruitment could save about 4 per cent of manpower. But as this possible wastage builds up to this figure over 12 months, the actual savings possible in the fiscal year from such an approach are about 2 per cent, or 40,000 people.

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When, then, was Mr. Joel Barnett briefed to adopt such unrealistic cash limits? The ratio of public to private sector pay, even if the limits had been based on the point rate of wage increases in the private sector, the inevitable "catching-up" public sector awards from Clegg would be so large that even the revised cash limits would be exceeded and discarded. That was why Mr. Barnett announced that cash limits would be adjusted for future wage awards, but not completely. This way, it is argued, he was not discrediting cash limits because he was not announcing them, but simply giving programme managers a good enough idea for them to run their affairs.

It would be more surprising, however, if Mr. Barnett had not mentioned anything about cash limits at all, since he has been so vocal about them in the past.

rather than hoped-for inflation rate. This would leave any cuts in the growth of Government spending to be made by the front door. Of course, even such a revised cash limit figure will not be Holy Writ. If the inflation rate is a couple of per cent higher than expected, maybe public sector managers should trim their sails. But if it is anything more, then cash limits will have to be adjusted upwards. The point of cash limits, as of corporate budgets or any other planning totals, is simply that increases should not be automatic, as they became under the old Parliamentary estimates, but should have to be justified, with the onus of proof on those who want to increase them.

Pressure on cash limits due to "relativity awards" raises more difficult issues. With more realistic limits, and the recruitment savings outlined, any overrun would not be more than a couple of per cent. It would, moreover, be directly due to the rebound from the last phases of pay policy, when public sector pay was squeezed relative to the private sector. In the two years 1976-78, public sector pay rose

by about 7.8 per cent less than pay in the private sector. This was simply reversing a distortion in favour of the public sector that took place in the middle 1970s. Public sector unions have reacted to the past two years' squeeze rather than the longer term trend.

A "toughness" that ignores these facts will be like the old Heath battles over pay norms, or his earlier attempts in the "N minus One" phase to use the public sector as a battering ram against wage inflation.

PUBLIC SECTOR EMPLOYMENT, (mid-1977)

	Thousands
Central government	
HM Forces and Women's Services	327
National Health Service	1,155
Other central government (including UK Civil Service)	813
TOTAL central government	2,305
Local authorities	
Education services	1,561
Police (including civilian employees)	184
Other local authority services	1,254
TOTAL local authorities	2,999
Public corporations	
Nationalised industries (including the Post Office)	1,803
Other public corporations	286
TOTAL public corporations	2,089
TOTAL PUBLIC SECTOR	7,393

Source: Economic Trends Jan. 1979

people with similar abilities and education—and allowing for differences in leisure, security, conditions and so on—was noted two centuries ago by Adam Smith. This came about simply through people moving from worse to better-paid jobs and thus creating market pressures towards equalisation. Comparability can be a highly approximate substitute in limited areas—say the Civil Service proper, which accounts for less than a tenth of public sector employment. It could be used in return for no-strike agreements in a few essential services mentioned in both the Labour-TUC concordat and some Conservative statements provided that areas are very strictly limited.

Anything like universal comparability studies would, however, be a circular exercise. Such studies can only suggest a wage if earnings rates have already been established by market forces or collective bargaining elsewhere, so there are agreed wages with which to compare the sector in question. Even then, the exercise is a highly political piece of diplomacy. For instance, in the

current claims before the Clegg Commission, the local authority and National Health Service manual workers are arguing for general comparisons with manual workers as a whole, while the Treasury is insisting on "job-for-job" comparisons—comparing say, hospital porters with porters elsewhere.

Some of those most closely involved in setting up the Clegg Commission are worried that too many references were thrown at it, simply to stop the politically damaging public service strikes of last January as early as possible, and that this may discredit the whole exercise.

Before Clegg was appointed there was a Civil Service Pay Research Unit, and separate review bodies for doctors and dentists, and for amalgamating the research staffs and procedures of these bodies; but to try to extend them into a pay board for the whole public sector would be a fool's errand.

There is, in the end, only one adequate way of adjusting inequalities in the public sector which is no different from that of the private sector. If, at going wages, there is a shortage of a particular grade of workers, there is a clear need for an upgrading. The less welcome side of the same coin is that where workers are in excess supply a downgrading has to take place. The adjustments can be made gradually to avoid a sudden shock to people who have committed themselves to a career long ago.

But supply and demand give no less humane or politically abrasive a guide to adjustment than some body of wise men who, however they wrap up their awards, are also influenced by a mixture of market forces and relative threat power. Indeed, Professor Clegg and Lord McCarthy, in an unpublished memorandum written for Mr. Callaghan, themselves pointed out that "comparability" is only one factor in wage decisions and that public sector employers are free to take into account market factors with all other relevant factors.

Indeed, it is possible to disguise supply and demand in comparability language by saying, for instance, that a grade of workers in short supply has special skills differentiating them from their nearest equivalent, or that overmaned public sector jobs offer special amenities (such as on-site leisure) not available to private sector equivalents. The point about this gobbledegook is not that it helps industrial relations, but that many negotiators have been brought up to speak no other language. It will help if those parts of the public sector directly sub-

ject to profit and loss constraints, such as the public corporations with their 5m workers, are regarded as "no different in principle from the private sector—and are left to do what they like provided they do not ask for higher subsidies or borrow more from central government. In time, the local authorities, who employ 5m workers, should be given more revenue-raising powers and de facto as well as de jure wage negotiating responsibility.

Whatever the procedures, public sector unions are bound from time to time to score victories in raising wages to levels unjustified by the state of the labour market—or which the government says is unjustified, which is not the same. What then should be done? The number of options is limited. If it is central government, economies should be sought within the same sector, or that the unions are powerful enough to prevent them. Then they should be sought in a wider category of public spending. The most important cash limit of all is that of total public sector spending, amounting to about £75bn in 1979-80.

There may be times when the Government is unable or unwilling to cut its spending because some service has been made more expensive. In that case the overriding constraint becomes the public sector borrowing requirement; and if necessary, taxes should be raised as a lesser evil. In that case the tax increase should follow as closely as possible the public expenditure increases making it necessary. And if the Government is not strong enough either to limit spending or to raise taxes, it should at the very least borrow from outside the banking system, even if this means higher interest rates.

It may not be popular to follow the worst branches of a decision tree on election day, but the above possibilities exhaust the available non-inflationary choices. It is better to face them frankly than deceive ourselves with pay boards, national economic fora and all these other devices which the political and administrative mind is so prone to invent as a substitute for genuine policies.

Total public spending

But suppose that economies cannot be reasonably made in the same sector or that the unions are powerful enough to prevent them. Then they should be sought in a wider category of public spending. The most important cash limit of all is that of total public sector spending, amounting to about £75bn in 1979-80.

MEN AND MATTERS

The fever—mostly mild attacks

While Callaghan sits out the night in Cardiff where the election result will not be announced before 11 am—and Steel is ensconced in darkest Roxburghshire till a similar hour, Mrs. Thatcher will be able to nurse her Thursday night fever in relative comfort. The result in her Finchley constituency should be in by a civilised 12 pm, after which she plans to watch her fate unfold on the television screens at Central Office.

Not everyone will be sharing their excitement. London's Lord Mayor, Sir Kenneth Cork, 63, after a heavy day of rather tedious-sounding official engagements, proposes to doze off in bed with his radio until the result is clear, one way or the other.

The renegade Labour peer Lord George-Brown, 63, sounded less than amused to be asked how he should be spending tonight. "I shall be at home with my missus," he said grumpily, adding that he was "not making any statement" about whether he was gripped by election fever.

Down in his country home at Haywards Heath, 65-year-old Harold Macmillan is taking a similarly quietist view of it all. The supreme master of the small screen does not possess a television set, and will be turning in after listening to a few results on the radio (or, as he would doubtless say, the wireless).



"That's it, Denis Howell can say goodbye to my vote!"

"So there's quite a lot to watch up here." All in all, the fever on the basis of this somewhat selective straw poll—seems to be a fairly confined outbreak. Even Mike Yarwood, who has professional reasons for staying up, tells me he will probably turn in before the time. "I've got two shows the following night," he told me. "I'll only sit with it if it's pretty exciting."

If the Tories win, their leader will be the first Prime Minister since Macmillan whom Yarwood, 35, is unable to impress. "I've tried doing Mrs. Thatcher, but it wasn't very good. So I stopped."

Sitting e.p.r.t.ly Civil disobedience has come a long way since the main days of CND. The Torness Alliance, which is opposing the construction of a nuclear power station at Torness, East Lothian, has produced an occupier's handbook. It will be distributed to all those planning to take part in the four-day occupation of the site this weekend.

It is an earnest document, working down from ready-made arguments against nuclear power

to lists of what to bring in the way of food, first-aid supplies and the like. There are seven tide tables, so that occupiers can do their washing without having to trudge over miles of wet sand when the water is out.

For the evening camp fires there is an appendix of anti-nuclear songs, including one jolly ditty to the tune of "John Brown's Body". It is entitled "Reprocessed Plutonium."

Of most immediate interest to sitters-down will be the advice on what to do if the going gets rough. The booklet advocates a preparatory course of training with NARG, the Nonviolent Action Resources Group, but for the unskilled there are tips for when the fuzz grows forceful: "Most violence arises at the point where the attacker ceases to see or to relate to his/her victim as a person," the handbook says. So it suggests trying to establish a relationship. Perhaps by approaching the attacker and introducing ourselves in a friendly manner.

Going it alone

Retribution has finally come for John Fairley and John Wilford, two senior executives of Trident Television. They have long been leading a campaign for a separate television company covering the East Midlands—and this has finally proved so embarrassing that they have been asked to leave the Trident staff.

Fairley is the head of Trident's news end current affairs. Wilford is in charge of regional programmes. Their scheme has formidable backing, including that of East Midlands politicians—particularly James Lester, the Tory incumbent for Beeston, and Michael English, who has held Nottingham West for Labour since 1964.

But the whole idea produces despicable reactions in the TV world. An East Midlands service, covering 2m people in Nottingham, Derby, Leicester and Northampton, would not cut into Trident—which has the Yorkshire and Tyne-Tees fran-

chise. But it would hack out a slice of Lord Grade's ATV empire, based on Birmingham and the like. There are seven tide tables, so that occupiers can do their washing without having to trudge over miles of wet sand when the water is out.

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Warning shot

Taxi, the magazine of the Licensed Taxi Drivers' Association, this week hints at a meagre change of tactics in its campaign for higher fares. A brief news item from the Philippines is given peculiar prominence with an eight-line headline. It describes the fate of a taxi passenger "who refused to pay an extra charge of one penny" after a recent increase.

Lady's bouquet

The importance of the election has not been lost on a Norwich wine company called Richards: it has inundated Conservative offices with an order form for three wines "specially selected and labelled to celebrate the Conservative Party Election Victory." The label refers unctuously to "the historic emergence of Margaret Thatcher as The First British Lady Prime Minister."

If it all goes wrong, the wine should keep another five years, as long as Mrs. Thatcher does.

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What to look out for tonight



a two party fight the swing required for the seat to change hands is half the existing percentage majority.

But in practice it is much more complicated. Very few seats nowadays are contested by only two candidates. In Scotland there is now a virtual three-party system. In East Dunbartonshire last time, for example, three parties each achieved votes in the 15,000s to give the SNP a majority of 22 over the Tories. How the result goes today is therefore anybody's guess.

There are also problems of regional variations. Very broadly speaking Labour over the years has been picking up support in Scotland and the north of England, while the Tories have been gaining in the South East. But even that trend is not always reflected in individual constituency results. The Tories could recapture some seats in Scotland from the SNP although the Tory share of the Scottish vote goes down.

There are problems, too, arising from population movements. It is not widely realised, for instance, that a quite possible Labour gain would be even in the event of an overall Tory majority, is the once solidly Tory seat of Kensington in West London.

Labour wins

There are other seats which Labour seems bound to win back, almost whatever happens to the national trend. Mr. Reg Prentice was elected as the Labour Member for Newham North East with a majority of over 13,000, but sat latterly as a Conservative. The seat must surely now revert to Labour.

Again, there are some of the seats which the Tories gained in by-elections when Labour was at the depths of its unpopularity. It is hardly likely that they will

retain Workington where in October 1974 Labour had a majority of over 9,000. It is almost inconceivable that they will retain Ashfield where the Labour majority at the last general election was nearly 23,000.

There are other factors which are largely unknown. What will be the effect of the immigrant vote: something which in the past was scarcely taken into account? It could be decisive in swaying such Tory-held marginals as the London seats of Acton and Brentford and Isleworth to Labour. It could be equally decisive in preventing Tory gains in Labour-held marginals in the Midlands, such as at Birmingham Selly Oak, Leicester South and in Lancashire, Bolton West.

Concentrated

There are also the Liberals whose efforts this time have been concentrated on particular seats. Although the Liberal representation in the new Parliament may go down, it is still possible that there will be some new Liberal faces. Bodmin, Hereford, Leominster and Skipton are all seats where the Liberals are within sight of putting the Tories out. It should be remembered, too, that most of the seats which the Liberals hope to win will not be declared until tomorrow.

The Liberals in a way add a gloss to the question of the North-South gap. The only seat they hold in anything that can be called a big city is Liverpool Edge Hill, and even that they only gained in a by-election five weeks ago. The party has not yet succeeded in transforming its local strength in Liverpool into national representation, but it has shown that inner cities have become a fertile area for political change. Another

example would be Newcastle-upon-Tyne Central, where the Liberals did remarkably well against Labour in a by-election at the end of 1976.

Table IV shows the way seats are distributed between England, Scotland and Wales. It is immediately apparent that Labour relies heavily for a majority on the non-English seats, just as it tends to rely for its English seats on predominantly urban constituencies.

But there are a great many constituencies which do not conform to these clear patterns. A marginal constituency is one which, by definition, is "in between." It is usually between inner and outer city or between rural and suburban. Such constituencies abound in the Midlands and the South East, and there is a strong case for saying that those will be the results that will matter most.

Not least, there is one question of turnout. It can differ quite significantly from election to election—as is shown at the bottom of table I, and also from constituency to constituency.

It is not always true that a high turnout helps Labour. In 1974, when people were thinking about the miners' strike, it appeared to do so. But in October 1974 Labour did even better, although the turnout was more than five points lower.

lowest in the country. The most probable explanation is that a large number of Tory and Labour voters regarded it as a safe Tory seat, so they did not vote.

At the end of the day, however, or rather in the early hours of tomorrow morning, one figure is worth remembering. For a party to secure an overall majority it needs to win at least 318 seats. Even that would be nothing like enough for a full term Parliament with majority rule. As is shown in table III, by-elections and even defections tend to produce a sizeable turnover in seats as Parliament goes on. For a party to have a reasonable chance of carrying a five-year Parliament, it would need an overall majority of at least 30. In terms of seats, that means around 335.

At the dissolution Labour held 309 seats. It needs a net gain of nine to win a bare overall majority. The Tories had 289. They therefore need a net gain of 35 to reach the figure of 318 which would lead to Mrs. Thatcher being invited to form a government.

Finally, it should be remembered that if the Tories win more seats than Labour but still fail to reach 318, it could still be Mr. Callaghan as the incumbent Prime Minister who would have first go at trying to form a government. It is by no means inconceivable that he could come to an arrangement with the minor parties that would allow him to carry on, though the latest word from Mr. David Steel is that the Liberals will press for all-party talks rather than a quick deal with one party or the other.

The most sensible course for the reader might be simply to go to bed early and look at the results tomorrow.

Net gain

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TABLE I
PARTY STRENGTH IN THE COMMONS 1945-74

	1945	1950	1951	1955	1959	1964	1966	1970	Feb. 1974	Oct. 1974
Conservative	213	299	321	345	365	304	253	330	297	277
Labour	293	315	295	277	258	317	343	288	301	319
Liberal	12	9	6	6	6	9	12	6	14	13
Plaid Cymru	—	—	—	—	—	—	—	—	2	3
Sc. Nat. P.	—	—	—	—	—	—	—	1	7	11
Others (G.B.)	20	—	—	—	1	—	1	1	2	—
Others (N.I.)	2	2	3	2	—	—	1	4	12	12
Total	640	625	625	630	630	630	630	630	635	635
Turnout (%)	76.1	84.0	82.5	74.8	78.7	77.1	75.8	72.0	78.1	72.8

TABLE II
STATE OF THE PARTIES ON DISSOLUTION

Party	Seats
Labour	307
Conservatives	282
Liberals	14
SNP	11
Plaid Cymru	3
Scottish Labour	2
N. Ireland	12
Speaker	1
Vacancies	3

TABLE III
CHANGES IN PARLIAMENTARY STRENGTHS BETWEEN ELECTIONS

Parliament	Con.	Lib.	Lab.	Others
1964 Election	253	12	343	2
Dissolution	264	13	346	7
1970 Election	330	6	287	7
Dissolution	323	11	287	9
1974 Oct. Election	277	13	319	26
Dissolution*	283	14	309	28

TABLE IV
Regional Distribution and the North-South gap

Region	Con.	Lab.	Lib.	Other	Total
England	253	255	8	0	516
Wales	6	23	2	3	36
Scotland	14	41	3	11	71
English examples by region	124	68	1	0	193
S. East	32	8	3	0	43
W. Midlands	21	35	0	9	56
S. West	26	51	1	0	78
N. West	9	29	1	0	39
Northern	—	—	—	—	—

TABLE V
URBAN, SUBURBAN RURAL—THE S. EAST EXAMPLE

Area	Con.	Lib.	Lab.
Inner London	6	29	0
Outer London	35	22	0
Rest of region	83	17	1

Promises, promises

From Mr. A. Beard

Sir,—It is nice to know that whichever side wins, things are going to get much better for us all. Lower taxation, more jobs, less strikes, a higher moral tone and all the rest of it—splendid! We shall all be suitably grateful. What puzzles me, however, is why it was necessary to await a General Election to do all these wonderful things: could they not have been introduced before?

A. L. Beard, Woodfield, Spaxton Hill, Workson, Notts.

Polling the population

From Dr. F. Pearce

Sir,—Today there is a quiet pause before we may compare what the polls have been saying over the last week or two with what actually happens.

We can expect to have a fair amount of "statistics" flung at us in the next 24 hours, some being outright bunk. Professional analysts are rarely there to challenge malpractice and point out on the spot the many ways in which "figures" can be misused and the reservations that attach to them.

We shall hear many comparisons between what the polls said and what is happening. Let us remind ourselves therefore of what they can and cannot do. They reflect intentions, and the degree to which they can approach "actuality" is determined by a number of technical factors—among which is the proportion expressing some preference, the size of the sample, and the degree of confidence required in the result.

Roughly speaking, in 19 out of 20 polls taken over not less than 1,000 people, we can expect to get within 3 per cent of the true figure. This is the precision which has been repeatedly referred to over the last week or two as the pollster's capability: in fact it is not. He could get to within 1 per cent, or better, provided his client was prepared to pay for the extra effort and an increase in the sample size to 4,000. (I hope I may be allowed broad phrasing to make the general point.)

The trouble starts when AA—the Averaging Amateur—rushes in to interpret opinion poll results. A BBC presenter did it on Monday this week and introduced some of AA's handiwork by saying that "a little arithmetic and commonsense" had been used to average a number of polls. What interests the public is, of course, not so much the voting intentions but how many seats each party will get. The commentator often translates intentions into a forecast of seats, smoothly bypassing a behavioural situation where preferences are already highly volatile, are being pressured by the main party contenders.

If we go back over all elections since the war the polls' track record is quite good. They have reasonably reflected the actual vote, from intentions, and have about seven chances out of ten of producing the right winner. (If those who had such commercial decisions had taken a guide, or were prepared to use the guides available, decision-making would vastly improve.) Two interesting points emerge.

Letters to the Editor

If the individual pollsters do get within 3 per cent of the outcome they have justified themselves. But they are technically capable of doing much better than this if resources are made available to them. You want the answer to within 1 per cent, 1 per cent, less? Then the bill will be...

The second point is that if pollsters have a reasonable track record in Election times, when conditions are at their worst, what potential would they have in more general use? It has been said that information is the key to the way Britain is governed. It is also the key to public knowledge. Here is a powerful tool capable of sounding opinion to quite fine accuracy and of being a neutral advisory aid. It could substitute for referenda.

It could be a major governmental tool, or an aid to public information on many questions. Its operation would be best placed with a National Statistics Council or Institute. (Dr.) F. T. Pearce, Greenhill House, Wesley Park Road, Wesley Hill, Birmingham.

The value of farmland

From Dr. G. Gemmill

Sir,—In his comments (April 27) on the value of farmland and proposals for taxation, John Cherrington overlooks a problem in the argument of the National Farmers' Union that "value for farming" should be the basis for valuing land in levying taxes. Land has reached its extraordinary value because of its "track-record" in appreciating far faster than other assets. No doubt a cyclical fall in prices can eventually be expected, although our land prices remain low relative to those on the Continent. If "value for farming" is used as the basis for taxation, land will simply become more attractive to investors and the price will rise still further. This situation would be in the interest of existing owners, as they would gain both tax-relief and higher asset-values. It would not, however, lead to a more realistic price for land or a more efficiently functioning market in land.

(Dr.) G. T. Gemmill, Senior Research Fellow in Commodities, The City University Business School, Lionel Denny House, 23, Goswell Road, E.C1.

Public sector pensions

From Mr. L. Brookes

Sir,—Mr. Logdon (April 24) did not need to write such a long letter to explain why he pays his ex-tax inspectors £10,000 and £12,000 plus expensive company cars instead of the £8,700 and £9,000 they received in the Civil Service. The extra pay and perks would seem to be wholly justified as compensation for working for Mr. Logdon. Many of his sweeping accusations against the civil service could not doubt be challenged. I will only take up his statement that index-linked pensions are "beyond scandal": they are defrauding the taxpayer. Index linking does not wholly protect public service pensioners against rises in the cost of living. Such pensioners, like

Teachers' time

From Mr. J. Hammond

Sir,—I taught for 44 years, mainly English and History to "O" and "A" level: this involved a heavy burden of marking and, if one wished to keep abreast of one's subject, a good deal of reading, though this was often enjoyable. I took an active part in debating and dramatic societies; the latter a time-consuming play, though often extremely entertaining. Not surprisingly, Mrs. Isherwood (April 28) is silent on the pastoral side of teaching; the most time-consuming of all and what makes the whole thing worthwhile. I retired before the Houghton award, and many like me were underpaid—out so the "nine-to-fours"; they have been grossly overpaid for years. Underpaid yes; overworked no, although at times almost intolerably pressed for time—so are doctors in times of epidemic. In parenthesis, I think it is despicable that teachers should countenance actions that may jeopardise their pupils' examination chances. I am glad I belonged to a union (AMA) that has always eschewed strikes or comparable action. J. F. Hammond, 122, Romuoth Road, Wisbech, Cambs.

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The free economy

From Professor D. Myddleton

Sir,—No assumption of omniscience is implicit in competitive free enterprise economy. In contrast to some neo-classical equilibrium models, the Austrian school has always emphasised the uncertainty of an ever-changing world. Indeed, one of its most distinguished advocates, Professor Hayek, calls competition "a discovery procedure" and for many years has stressed the absence of omniscience and the need to make maximum use of the "division of knowledge" in society. Of course, expectations may often turn out to be mistaken. There are losses as well as profits in the market system. But I repeat that surely the normal presumption is that a voluntary exchange is expected to benefit both parties to it. Unless one subscribes to the discredited Marxist exploitation theory, or to the absurd notion that one man's profit is another man's loss, what is the alternative to what Huw Dixon (April 21) strangely calls this "unfortunate" point of view?

Most people would wish to improve the efficiency of the market system where possible, for instance by providing safeguards against fraud and by reducing transactions costs (although Keynes, oddly enough, wanted to increase them). But in the context of the so-called "underground economy," three important ways to improve the working of the competitive market, all within the power of governments, would be to reduce taxation, reduce State bureaucracy, and reduce inflation. That last point may well embarrass members of the Keynes Society. D. E. Myddleton, Cranfield School of Management, Cranfield, Bedford.

Insurance law

From the Legal Officer, Consumers' Association

Sir,—Your insurance correspondence (April 30) reports that the British Insurance Association, and other insurance bodies in the UK, have expressed disappointment at both the content and the tone of the Law Commission's working paper on reforming insurance law. Similar disappointment is felt by Consumers' Association, voicing views on behalf of policyholders, not too far, but because they don't go far enough. The insurance industry does not put up a convincing case for retaining the present harsh rule which enables an insurance company to repudiate liability on a policy, simply because a person has unwittingly failed to disclose a fact which is relevant to the risk.

GENERAL

UK: General Election polling day—and local authority elections.

Sir William Barlow, Post Office chairman, receives Freedom of City of London.

Amalgamated Union of Engineering Workers conference, Water Gardens, Eastbourne.

Electrical and Plumbing Trades Union conference, Conference Centre, Brighton.

Bentley Colliery disaster inquest, Doncaster.

National Federation of Building Trades-Employers' annual meeting, London.

Duke of Edinburgh presides at

Today's Events

Central Council of Physical Recreation annual meeting, Carpenters' Hall, London.

Ayrshire Agricultural Show.

Anti-National Front parade, Brick Lane, London.

Overseas Financial Times Euro-Japanese two-day symposium, on trade, finance and politics in 1980s opens in Brussels—speakers include Mr. Roy Jenkins, European Community Commission chairman, and Mr. Minoru Masuda, adviser to Ministry of International Trade and Industry.

OFFICIAL STATISTICS

Department of Energy publishes energy trends.

COMPANY MEETINGS

City and Commercial Investment Trust, 117, Old Broad Street, EC. 12.15. William Collins, Westfield Road, Bishopbriggs, Glasgow, 11. J. Hewitt, Fenton Low Works, Victoria Road, Fenton, Stoke-on-Trent, 12. Monford (Knitting Mills), Grand Hotel, Leicester.

COMPANY RESULTS

Final dividends: Henry Boot and Sons, Guardian Investment Trust Company, Highcroft Investment Trust, Pentland Industries, Porter Chaddburn, Wimpey Construction (UK), Interim dividends: British Sugar Corporation, Wemyss Investment Co. Interim figures: Harisons Malaysian Estates.

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P & O holds dividend, despite profit setback

PROFITS before tax of the Peninsular and Oriental Steam Navigation Company fell sharply from £22.46m in 1978, but directors are maintaining the dividend at £5.4225p with an unchanged final of 5.4225p.

Lord Incheape, chairman, says it was decided not to reduce the dividend in view of the cyclical nature of the shipping industry, and particularly following two years of material transfers to reserves.

However, the board will not consider this year's dividend until prospects for 1979 and 1980 can be seen more clearly, Lord Incheape says.

The profit picture worsens at the net level—after tax and minorities—the attributable figure is down from £28.7m to £7.4m and after exchange losses and extraordinary debits there is a loss of £6.97m, compared with profits of £23.8m.

At midway, pre-tax profits had slumped from £26.9m to £11.1m with an attributable loss of £3.24m against £17.1m profit.

Earnings per £1 deferred stock for the year are shown at 5.1p, compared with 20.3p.

Group reserves show a deficit of £15.7m (£14.4m surplus) and

have been further reduced by £5.8m for prior year adjustments relating to property depreciation, changes in group composition and unrealised revaluation surpluses written back.

The chairman says this year started badly, with the road haulage strike in the UK seriously affecting activities of European Transport, OCL and to a lesser extent the general cargo division, while recent events in Iran will also affect the general cargo results.

The four new large LPG carriers will depress bulk shipping performance, while the strength of sterling, if it is maintained until the year-end, will affect in sterling terms what might otherwise have been excellent outturns from cruising.

OCL's contribution is expected to be lower than last year, and peak group borrowing will mean a materially higher interest charge.

Against these adverse factors, the chairman expects Bovis, P & O property, and banking to improve further, while the business of the energy division which the group retains should make a positive contribution following the elimination of loss-makers.

Capital commitments last year

were reduced from £180m at the start of 1978 to £82m at December 31. Aggregate borrowings rose from £385m to £425m.

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Capital commitments last year

DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corre- div. year	Total	Total last year
Allied Plant	0.45	July 2	0.41	0.85	0.71
Akifund	0.7	July 12	5.3	1.0	3.3
Clement Clarke	1.37	—	1.23	2.41	2.16
Continental Union Tst.	3	June 18	2.5	4.25	3.5
Furness Withy	5.27	July 2	4.67	9.12	8.24
Hawtin	0.35	—	nil	0.35	nil
Holywood	23	June 22	26	40	33
Hongkong (Selangor)	20	June 22	5.94	28	7.26
Kuala Selangor	7	June 22	6.6	9.5	6.6
Laporta	4.53	June 27	4.06	7.55	6.77
MacDonald Martin	4.78	July 2	6.3	7.78	9.3
Manchester Liners	nil	—	4.1	1	5.1
Milford Docks	1.68	—	2.68	2.94	2.94
Milford Docks Int.	1.68	—	2.68	2.94	2.94
Minty	4.25	July 13	2.73	5.9	4.23
Natal & Comrel. Int.	1.52	July 2	1.38	—	2.94
P. & O.	3.54	July 4	3.54	6.54	6.54
Penland Indus.	0.61	—	0.45	0.65	0.67
Safeguard Indus.	1.08	June 15	0.99	—	1.64
Shiloh Spinners	1.08	June 21	0.99	—	1.64
Arthur Wood	1	June 13	0.9	—	1.9

Macdonald Martin at £1.3m for nine months

FOR THE nine months to December 31, 1978, Macdonald Martin Distillers reports pre-tax profits of £1.28m, compared with £1.44m for the previous year. Tax for the period took £13,077 against £83,391.

The dividend is 4.78p net making a 7.78p (9.3p) total and there is an additional payment of 0.088p in respect of 1977-78.

The directors state that with effect from April 1, 1978, the group's stock of casks was reclassified as fixed assets and revalued at its estimated residual value.

On the same date the estimated useful life of casks was revised. Also, following the revaluation of land and buildings at March 31, 1978, depreciation has been provided on buildings from April 1, 1978.

They estimate that the net increase in trading profit for period, resulting from these changes is £120,744.

whisky market which is generally expected to see a slower growth of between 4 and 5 per cent this year. The "A" shares rose 10p to 620p yesterday.

comment
Macdonald Martin Distillers' 28 per cent annualised improvement reflects the strength of the group's markets both at home and overseas and the steady across the board progress for its whole range of whiskies. In particular Glenmorangie appears to be doing well while Highland Queen also holds good long term prospects. The group's marketing arrangement for Highland Queen with Hedges and Butler (part of the Bass Charrington group) which it won after a tough fight last year is progressing "satisfactorily" and is expected to boost performance in future. With its two distilleries currently operating at full capacity and with an intensified export drive, the outlook for Macdonald appears quite encouraging. Determining factors however will be the competitive U.S. market which accounts for about a third of turnover and the UK

BICC set for further growth
DURING the current year the directors of Bicc expect to be able to improve on 1978 results—when pre-tax profits rose from £47.12m to £56.53m—although net earnings will not benefit from the write-back of ACT which last year amounted to nearly £2m.

Mr. C. H. Broughton Pipkin, chairman, reports that all four group companies have opportunities to increase profits and, in spite of the road haulage strike and the bad weather, overall results for the first two months of 1979 were better than expected. New orders have been coming in at an encouraging rate in most categories.

The directors hope to make further acquisitions in 1979. Inflation adjusted pre-tax profits were £31.1m (£18.2m), after adjustment for depreciation £24.8m (£23.5m), cost of sales £13.3m (£8.5m), associated companies £2.7m (£1.5m), finance charges £5.4m (£5.5m) and gearing 55.3m (£5m).

A statement of source and application of funds shows a £30.64m decrease (£9.55m increase) in net bank borrowings.

The AGM of the company will be held at 21, Bloomsbury Street, W.C., on May 30 at noon.

Allen Balfour setback: passing final dividend

BAD WEATHER and the lorry drivers' strike combined to plunge Edgar Allan Balfour into a small trading loss in the year to March 31. Accordingly, the board does not intend to recommend a final dividend for the year. The saving will be £900,000.

The specialist steel manufacturer stressed yesterday that the cash flow trend is positive and "bank borrowing facilities are adequate to meet foreseeable requirements."

But in addition to the small trading loss the group incurred redundancy costs of £370,000, part of which may be shown after tax when the results are published on June 27.

Profits last year amounted to £2.48m pre-tax but the group stumbled in the six months to September 30, 1978, when profits were almost halved at £553,000. A pre-interest loss of £529,000 in the special steels division was chiefly responsible for the interim shortfall but the group claimed to have stemmed the deficit in the following three months.

However, EAB suffered "severe shortages of vital raw materials in January and February which had an adverse effect on productivity and the group's overall profit position. In particular, substantial losses including costs of voluntary redundancies, were incurred in the special steels and casting activities."

Mr. J. K. Warburton, finance director, explained yesterday that 370 employees had been made redundant during the year "which we cost at about £1,000 per man."

Prospects are now thought to be brighter. Working capital requirements and overheads have been reduced while "there are some signs that world steel prices are hardening. Additionally, the group has at

last solved the problem of the three die-blocks in the drop forging division which cracked some 18 months ago and the new Davy Loebury press is undergoing commissioning at George Turton Plants.

"These developments give the board some grounds for being more optimistic about its trading prospects for the year to March 29, 1980."

comment
The strength of the Edgar Allan Balfour share price recently—the shares fell only 1p yesterday to 55p—adds just a little credence to the theory that Aurora is about to bid. Around 30 per cent of the equity has changed hands in the last three months but, although Aurora probably makes the only logical fit, it is hard to see why it should bother.

Edgar Allan admits that its labour relations record has been poor, although it now claims some improvement, and its efficiency has been blighted inter alia by prolonged mechanical faults in the drop forging division. While it suffered so badly, Samuel Osborn probably came through the difficult winter months without severe loss. True, prices are hardening but the 26 per cent high speed steel price increase merely reflects a difficult market and it will take a considerable rise in demand for, say, tool steel to counter the effects of cheap import competition. The D'Avignon plan, after all, offers no protection to the special steel sector.

comment
THE VOLUME of work available to the construction industry remains at a low ebb. Mr. Tom Grieve, chairman of Newarthill, tells members, but against this background and in a continuing highly competitive market, the group has obtained "an adequate number of new contracts."

The group has more civil engineering contracts than for some years, but the chairman says the weather during the current year has been a major obstacle to the progress of some of Newarthill's nationwide projects.

As reported on April 27, the group's 1978 finished-down profit of £11.55m to £9.28m. The dividend is increased to 5.324p (4.84p) net per share.

Aviation business continues to be a high level of activity. Mr. Grieve states, and arrangements are in hand to expand the chartering service to Hong Kong as the company is being set up with established partners.

Since the year-end, and looking to turnover for next year, he says the directors have proceeded further with the group's partnership property developments, an expanding satisfactory, contributing significantly to the substantial financial strength of the group.

Net liquid funds decreased by £4.86m compared with a £3.89m increase. The group's AGM will be held at the Imperial Hotel, WC, on May 24 at 12.30 pm.

FOREIGN AND COLONIAL

On April 30, the maturity date, Foreign and Colonial Investment Trust repaid in full loans of U.S.\$5m from Morgan Guaranty Trust Company of New York and \$2m from Manufacturers Hanover Trust.

Shiloh doubled to £0.29m

REFLECTING a significant increase in the contribution from its diversification activities, taxable profits of Shiloh Spinners more than doubled from £144,794 to £291,718 for the year ended March 31, 1979—a peak of £417,325 was achieved in 1974-75.

There was also a slight improvement in trading conditions in the textile industry. The directors say the improvement in trade is expected to continue during the first half of the current year, but they feel it unwise to predict any further ahead.

Profits at half way had risen from £24,265 to £145,117 and directors said that prospects for improved profits in the future were good.

Turnover for the full period was up from £7.47m to £8.45m and pre-tax figure was subject to a tax charge, SSAP 15 adjusted, of £108,122 against £68,805. Net profit was £183,596 compared with £75,989.

The dividend is stepped up to 1.8269p (1.636p) net per 25p share with a final payment of 1.0769p.

Shiloh is a spinner, doubler, and manufactures cotton, cotton waste, wool and rayon.

one-for-three scrip issue is also proposed.

Turnover for the period rose from £7.48m to £9.59m and tax took £585,000 (£587,000).

For the first time depreciation has been charged on freehold and long leasehold buildings and this totalled £30,833.

Increase for Clement Clarke

FOR 1978, Clement Clarke (Holdings), dispensing optician, reports taxable profits ahead from £838m to £1.58m after a rise from £0.33m to £0.53m at the interim stage.

Yearly earnings per 25p share are stated at 13.99p (10.83p) and the final dividend is 1.3679p net for a 2.4147p (2.1625p) total. A

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Institutions take action in Liden dispute with auditors

FIVE institutional shareholders of Liden (Holdings) have intervened directly in the disagreement between the board and its auditors, with the result that the auditors are, after all, to seek re-election at the annual meeting.

That will now be held on May 29 which means that the delayed annual report and accounts must be published by next Tuesday.

Early in March Mr. Norman Clothier, the chairman of Liden who also owns nearly 30 per cent of the equity, announced that he would be asking shareholders to replace the auditors, Payne Stone Francis, because the board just "didn't agree with them as auditors."

The institutions were alarmed at the likely change in auditors at what they considered a "totally inopportune time," according to Peter Duncombe, of Imperial Tobacco group's pension fund.

Year end losses of £1m had just been announced, which wiped out a third of the group's value. It was vital that new management procedures be adopted. Mr. Duncombe said yesterday, and there was simply not time for a new group of auditors to make a full study and report back.

The institutional holders, ITC Pension Trust, Sun Alliance, Henderson Administration, GT Management and Royal London Mutual, immediately set about persuading the Board to retain Payne Stone.

They also want the Board to co-opt a non-executive director whose main function would be to oversee a complete tightening of financial reporting systems. So far the Board has not yet agreed to the appointment but progress is expected before the annual meeting.

Meanwhile, as known, the whitewood furniture factory has been closed. Another post-balance sheet item which will provide a significant capital injection, is the sale of the wharf on the Isle of Dogs.

stepped up from 1p to 1.5p per 25p share—the previous year's total was 4p. Net asset value amounts to 121.1p against 106.3p.

A. Wood declines to £0.2m

A disappointing second half left the 1978 taxable profits of Arthur Wood and Son (Leicester) well down at £200,541, against £304,634.

At midway when the surplus had fallen from £111,200 to £85,000 the directors said that, although they might not match the previous year's record figures they hoped to come quite close. They added that the last six months of the year always proved to be most profitable.

Tax for the year takes £87,000, compared with £141,308. But after deferred tax written back of £181,191 and other items the attributable profit is ahead from £163,326 to £283,815.

The dividend for the year is lifted from 0.8984p net per 5p share to 1.003p.

Safeguard revenue up

REVENUE BEFORE tax of Safeguard Industrial Investments improved from £287,544 to £365,086 in the half year ended March 31, 1979. Revenue in 1978-79 totalled £879,000.

The interim dividend, is

M&G REINSURANCE

Group's financial position considerably strengthened in 1978 but increasing competition and reducing profit margins cause concern for the immediate future.

In his statement to shareholders, Mr. D. M. C. Donald, Chairman, reports Group profit after taxation for the year ended 31st December, 1978, of £14.07m, compared with £5.20m for 1977. A transfer to reserves of £9.88m has been made and £6.97m carried forward, thus considerably strengthening the Group's financial position.

Referring to the competitive climate in which the Group operates, Mr. Donald says: "1978 has seen no abatement in the number of new organisations embarking upon reinsurance business, nor any improvement in the depressed terms of trade which stem largely from the availability of additional sources of capacity."

"Today one wonders whether the current levels of profitability on business being shown in the market, at a period of better-than-average loss experience, can sustain the margins that are rightly expected by the authorities and needed to finance growth. The reasons so expected in normal underwriting operations in the London market today offer slim prospects for the creation of the kind of reserves which those long established in reinsurance know to be needed in a business that is notoriously subject to the unexpected catastrophe. It should therefore be our aim to improve the underwriting terms of trade in order to create a healthier atmosphere in the highly competitive London reinsurance market."

"This is the overall market position as we see it today and we believe that, unless concerted remedial action is taken soon, reinsurers face the prospect of greatly reduced margins of profit in all sections of our business. However, as a result of our underwriting policy over the last few years we are pleased to be able to report an improved situation reflected in our 1978 accounts."

Life
"Once again we have had a record year for new business, with new life sums reassured written by the Group amounting to more than £2,500m which produced new annual premium income of £13.35m, an increase of 22% over the 1977 figure of £10.86m."

Continuous Disability
"Good progress was made in this account and total premium income for the Group amounted to £14.08m as against £12.24m in 1977."

Salient features of 1978
* Group net profit after tax £14m
* Life new business at £2,500m, again a record
* Life and Continuous Disability premium income exceeded £76m
* Non-life premium income increased to £139m

Fire and Miscellaneous Proportional Business
"The strong growth of the Company's premium income in treaty year 1977 which was anticipated in last year's report has emerged and, compared to the previous year, premium income has increased by £17,91m, or approximately 28%."

"The growth of the Miscellaneous business was particularly marked with premiums up by £9.11m, or 55%."

"Looking ahead to 1978 treaty year, there is evidence of a marked slow-down of premium growth due to reduced rates of inflation and the stronger position of Sterling."


Fire and Miscellaneous Non-Proportional Business
"The growth of this account showed a marked slow-down during 1978 and this reflects our unwillingness to write business at terms we consider inadequate. Nevertheless, the Company's premium volume increased by approximately 13% for Fire business and 6% for Miscellaneous."

Marine and Aviation Business
"Despite the continuation of difficult market conditions for Marine and Aviation business, the measures we have taken to improve our experience are showing some signs of being effective. After the substantial transfers to the fund which were necessary in the two previous years, it is encouraging that there has been no need to strengthen the Company's fund in this way at the close of 1978."

"Unfortunately, there are still few signs in world markets of either Marine or Aviation business returning to profitability in the near future and we are therefore maintaining our very selective approach to the underwriting of these classes of business."

Investments
"In order to implement our long-term investment policy in the General and Life funds, money accruing for investment was invested in Fixed Interest stocks and there was some reduction in our equity holdings while in the Continuous Disability Fund we continued to add to both Fixed Interest and equity holdings. The investment income for all three funds increased substantially."

The Mercantile and General Reinsurance Company Limited
Head Office: Moorfields House, Moorfields, London EC2Y 9AL



Furness Withy

TRADING PROFIT MAINTAINED in continuing shipping depression

Preliminary Results	1978	1977
Turnover	£178.8m	£184.6m
Trading profit	£11.6m	£11.2m
Profit before tax and extraordinary items	£12.2m	£20.7m
Dividends per £1 Ordinary Stock	9.124p	8.242p

Furness Withy Group

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J.P. 11/10/150

National & Commercial up 51% at midway

PRE-TAX profits up 51 per cent to £41.06m are reported by the National and Commercial Banking Group for the first six months ended March 31, 1979. The increase is mainly due to increased interest earnings arising from larger volumes and a higher average base rate. Earnings from commissions and fees increased but operating costs were higher.

From the start of the current year, SSAP15 has been adopted as well as new accounting policies for dealing with profits and losses on disposals of investments and the treatment of bad and doubtful debts.

Earnings per 25p share are stated as 11.8p against 8.5p and the net interim dividend is lifted from 1.375p to 1.52p—last year's total was 2.94p from pre-tax profits of £28.27m.

The adoption of SSAP15 has resulted in a reduction in the first half tax charge of £5.97m—corresponding figures have been restated. Potential liabilities for deferred tax at March 31 totalled £28.14m of which £25.83m has been provided for.

Operating profit for the half year is stated after charging net realised losses of £209,000 on sales of gilt-edged securities during the period; crediting investment income grossed up for the imputed tax credit (previously this income was grossed up for UK corporation tax) and charging provisions for bad and doubtful debts.

Provisions for bad and doubtful

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends on interim or final and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interim—British Sugar, Fundinvest, Harisons Malaysian Estates, Richards, Robert E. Rubber Estates, Wemyss Investment Trust.

Final—Aberdeen Construction, Block, Henry Scott, British Investment Trust, El Oro Mining and Exploration, Exploration Company, Gordon Investment Trust, Herriot Investment Trust, Hunting Gibsons, Penland Industries, Porter Chadburn, Sage and Scott's Restaurant.

FUTURE DATES

Interim—

Brown (Matthew)	May 17
Gleason (M. J.)	May 23
Nagasaki Bank of Australasia	May 20
Booth (International Holdings)	May 8
Coats Paterson	May 10
Essex (Clothing)	May 23
Health (C)	May 15
Henderson (P. C.)	May 9
International Thomson	May 8
Lee Cooper	May 16
Sherman (Samuel)	May 9
Summer (France)	May 10
Usher-Walker	May 10

debits at March 31, 1979, amounted to £47.53m against £40.44m at October 1 last year, after £272,000 written off less recoveries. The provision previously written off and £7.37m charge to profit and loss account.

The charge includes a significant provision made by the Royal

Best-ever £0.47m for Allied Plant

RECORD taxable profits of £470,000 in 1978, compared with £242,000 last time, are reported by Allied Plant Group, on turnover ahead from £3.26m to £5.4m.

At midway, the surplus jumped from £92,000 to £206,000. The directors say the group is now able to expand in all its present divisions as well as being in a strong position to make attractive acquisitions.

Tax for the year took £43,000 (£36,000). There is an extraordinary debit of £53,000 (£37,000).

Stated earnings per 10p share are higher at 4.27p, against 2.26p, and the net final dividend of 0.45p lifts the total payment from 0.705p to 0.85p.

Growth in 1978 was entirely from existing operations with no benefit from take-over. "This shows that the action taken in 1977 was effective in that all unprofitable businesses were sold or discontinued and a solid capital base created," says the chairman, Mr. Michael Heathcote.

Against the background of buoyant demand for plant hire, APG has almost doubled its year-end profits and the shares rose 2 1/2 p to an all-time peak of 34 1/2 p. Apart from organic growth, the performance reflects the benefits of the 1977 reorganisation that resulted in a switch in emphasis from the heavier end of plant hire to the rapidly expanding fork lift truck market—a move which has made the company far less dependent on the lacklustre building industry. Now that APG has consolidated its gains, the way is now open for a string of acquisitions, especially as the first of such buys, Edmond (Builders), has significantly widened the equity base. This has facilitated two more cash acquisitions and after the initial payment, net borrowings stand at the comfortable level of slightly more than a third of shareholders' funds with undrawn overdraft facilities amounting to around £1m. Further impressive growth is assured given that plant hire activity continues to gain momentum. The shares sell on a p/e of almost 8 while the yield is 3.7 per cent.

FAIRCLOUGH

The annual general meeting of Fairclough Construction Group was held yesterday that contracts in the UK worth more than £100m had been won since the beginning of the year. Also, the group had secured "a substantial extension" to its work in Saudi Arabia.

Fixed assets increased from £4.51m to £5.73m. Debtors rose from £2.78m to £5.84m, and creditors were up from £10.28m to £13.91m. Bank borrowings were higher at £7.33m, against £3.2m. Net current assets were £2.02m (£3.73m).

Grattan has sound base for growth

THE emphasis now being placed on modern methods and increased competitiveness gives a very sound base for the future growth of Grattan Warehouses. Mr. J. Michael Pickard, chairman, says in his annual report.

Initial demand from the spring-summer catalogue with its substantially increased range of merchandise has maintained the improvement seen in Autumn 1978—however it is still very early in the season to project the likely sales and profit outcome, the chairman states.

Estimates of special annual revenue costs during 1978—particularly those affecting distribution changes and the computerisation of agency administration—will be some £1.5m, says Mr. Pickard.

For the year ended January 31, 1979, group profits before tax amounted to £1.65m against £1.27m. After an additional depreciation of £347,000 (£257,000), current cost profit is shown as £10.31m against £11.51m.

As a result of increased sales in the second half, the group's investment in capital equipment stocks and vehicles, after allowing for creditors, increased by £10m. Although the bank overdraft increased by £7m, total borrowing of £13m, still preserved a modest borrowing ratio, either in comparison to the net current assets of £43m, or to the total shareholders' funds of £48m.

Directors have recorded loan facilities of £25m from the main trading bankers, which will be adequate to meet requirements in the ensuing year.

The chairman believes that with these facilities together with other available financing sources

B & Q (Retail) profits soar

B and Q (Retail), the Southampton-based home improvement group which plans an offer-for-sale later this month, boosted pre-tax profits from £294,000 to a record £360,000 for the year ended January 27, 1979. Turnover jumped from £6.16m to £14.24m.

The company, which sells branded products at discount prices through its chain of D.I.Y. Supercentres mainly in the south of England, was started 10 years ago.

Nine new stores were opened during the year, bringing the total to 25. Since the other has been opened, with two more scheduled this month.

The company says it plans to open between 10 and 12 new stores in the current year.

B and Q intends to make an offer to the public of 25 per cent of its capital on May 18. It is expected to be pitched at a p/e of over 10.

Frizzell advances

A 21 per cent increase in taxable profits from £1.33m to £2.22m in 1978, is reported by

Frizzell Group, unquoted insurance broker.


Mr. N. R. Frizzell, chairman, says a satisfactory overall profit growth was reduced by the UK insurance broking, but the French associate suffered from difficult market conditions—share of associates' profits fell from £158,000 to £63,000.

The acquisition last May of Bradstock Hicks should enable the group to increase profitability when a recovery in the marine market takes place.

A satisfactory start was made to 1979, and the chairman believes a good result will be achieved.

HEYWOOD WILLIAMS

Heywood Williams Group states that less than £100,000 remains outstanding of the original issue of £350,000 unsecured convertible loan stock 1983 and it has decided to enforce conversion or repay the loan at par. The Board recommends holders to convert.



(Horizon Midlands Limited and subsidiary companies)

The successful holiday makers.

	1977/78	1976/77
Turnover	£31,269,252	£20,692,274
Pre-tax Profit	£2,951,342	£1,018,005
Profit after Taxation	£1,393,933	£470,127
Dividends	£331,056	£137,306
Profit Retained	£1,062,877	£332,821
Cumulative Profits Retained	£2,501,133	£1,438,256
Earnings per Ordinary Share	26.10p	9.82p
Dividends per Ordinary Share	5.643p	3.17293p

• Our consolidated pre-tax profits are the highest in the Company's history, in fact more than double the previous record.

• Passengers carried in summer 1978 totalled 167,000 compared with the previous record of 117,000 in summer 1977. Average load factor was 94% compared with 87% in the previous summer.

• In 1978 Horizon made a Rights Issue which raised £1,003,872 producing a very high take up of 97.26%.

• Our first London programme has been a resounding success. Over 28,000 passengers already booked, filling 79% of our capacity from Luton airport for the coming summer.

• Many shareholders have enjoyed reduced rates on our holidays.

• Holidays booked for the past winter totalled 97,000 almost double the 49,000 of the winter of 1977/78.

• Confirmed bookings for the coming summer now total 192,000 being 86% of our available capacity. Our summer 1979 capacity is

223,000 and we expect to carry in excess of 200,000 passengers at a load factor of over 90%.

• Business in the current financial year is clearly good. It is impossible at this stage to forecast profits precisely, but the Board takes an optimistic view of the year on the basis of the current level of bookings.


• Our Interim Statement indicated that we would be operating our own aircraft from early 1980. Details of our acquisition of aircraft are in our 1978 Report and Accounts.

• Research indicates we have increased our market share for the past ten years. We should be able to continue that increase. The operation of our own aircraft will mean that we will keep a higher percentage of the holiday price. Barring unforeseen economic and political developments, we anticipate a steady increase in profitability.

• As we now operate on a national scale, the Directors consider it appropriate to change the name of the Company to Horizon Travel Limited and this will be proposed as a special resolution at our Annual General Meeting.

Copies of the 1978 Report and Accounts can be obtained from:
The Secretary Horizon Midlands Limited, 214 Broad Street, Birmingham B15 1BB.

We're right at home around the world.



With more than 1000 branches, offices and agencies in Canada and 45 other countries, Scotiabank is very much a world bank.

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Scotiabank's experience can be invaluable when you need advice on a set of complex tariff regulations. Our organization is essential when you require instant decisions in a rapidly fluctuating

currency market. And our size is imperative for large-scale financing in today's international trade.

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This advertisement appears as a matter of record only

RUBY SHIPPING INC.
AND QUARTZ SHIPPING INC.

US\$11,600,000

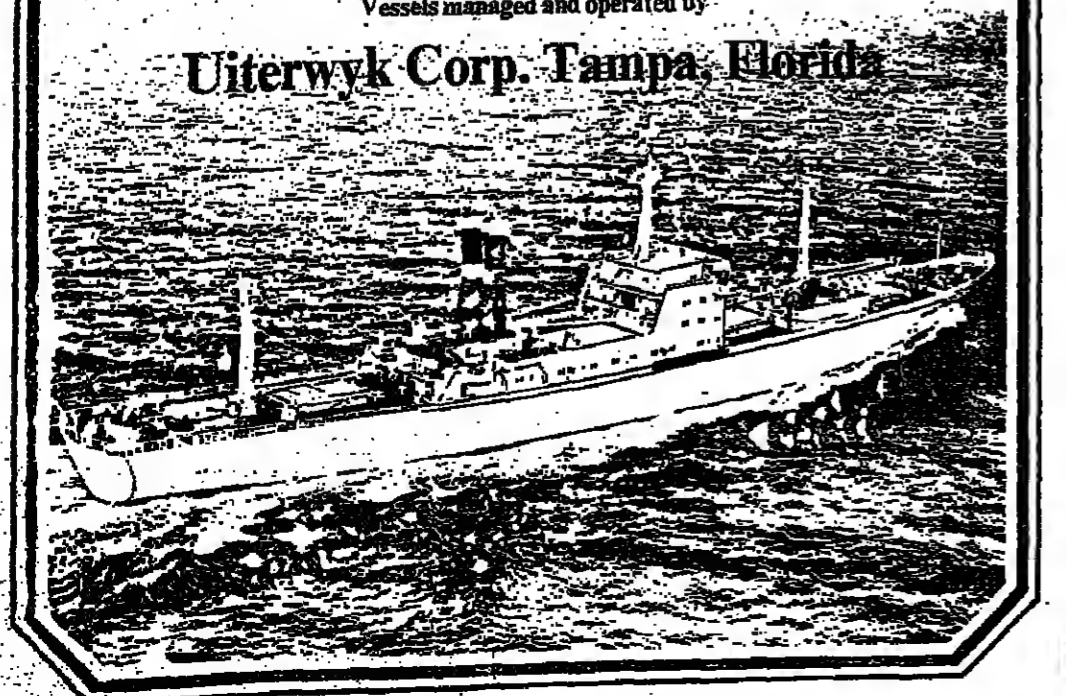
5 1/2 year term secured loan to assist in the acquisition of two Refrigerated Cargo Vessels

provided by

Marine Midland Bank
Oceanic Finance Corporation Limited

Vessels managed and operated by

Uiterwyk Corp. Tampa, Florida



S. PEARSON & SON

PEARSON LONGMAN · ROYAL DOULTON

LAZARD BROTHERS · MIDHURST (USA)

MADAME TUSSAUD'S

1978 was a record year for the Pearson Group

Pre-tax profits
(before minorities)

£51.4m

**Extracts from Lord
Gibson's statement**

PEARSON LONGMAN

(Publishing)
Financial Times
Westminster Press
Longman Group
Penguin Books
Ladybird Books

£25.5m

Record Profit

Last year was an excellent one for the Pearson Group. Total profits before tax increased by 14 per cent to a new record level of £51.4 million and earnings per share rose 17 per cent.

Dividend

We are proposing a final dividend which will increase the total for 1978 by 17 per cent over 1977 which is the maximum currently allowed to us.

Important Developments

There have been important developments in all the Group's divisions. The Financial Times began to publish in Frankfurt as well as in London and launched World Business Weekly in the United States. The Longman Group took significant steps forward in its programme of investment in new publishing markets, notably in the United States, and in selected areas such as dictionaries and reference books. Madame Tussaud's acquired Warwick Castle. Midhurst Corporation increased its interest in Camco to almost 61 per cent as part of the long-term programme of redeploying part of our American assets in carefully chosen direct investments.

In recent years there have been a number of other most successful direct investments, notably those of Lazards in West Germany, Jersey and South Korea and Doulton's development programmes in both the tableware and the glass companies. At Doulton Glass Industries, which specialises in the home improvement field, sales have risen from £11 million in 1971 to £75 million in 1978.

It is worthwhile stressing that while acquisitions have an important part to play in our progress we give priority in the use of our resources to the development of our existing businesses.

Annual General Meeting

I hope that as many shareholders as possible will attend the annual general meeting on 25th May. There will be an opportunity to meet members of the board informally afterwards.

If you would like further information about the Pearson Group please complete the coupon below and return it to the Secretary.

ROYAL DOULTON

(Ceramics, glass and engineering)
Royal Doulton Tableware
Doulton Glass Industries
Doulton Engineering Group
Doulton Australia
Allia Doulton

£14.2m

WHITEHALL TRUST

(Lazard Brothers and Investment Trusts)

MIDHURST (USA)

(North-American interests)

MADAME TUSSAUD'S

(Family entertainment)

Head Office

Interest and expenses less other profits

(£2.2m)

Attributable profit before taxation	£39.2m
Profit after taxation	£24.6m
Earnings per ordinary share	35.9p
Dividends per ordinary share	8.0p
Turnover	£401.3m

To: The Secretary
S. Pearson & Son, Limited
Millbank Tower
Millbank London SW1P 4QZ

Please send me a copy of the 1978 Annual Report

Name _____

Company _____

Address _____

Companies and Markets

UK COMPANY NEWS

MINING NEWS

Selection Trust puts it into perspective

BY KENNETH MARSTON, MINING EDITOR

WHILE the world base-metal mining industry suddenly encounters a strong demand for its products after the dark years of recession, a note of realism is sounded by Mr. John Du Cane, chairman of London's Selection Trust world mining and industrial group. He points out that despite their recent sharp recovery, prices in real terms of copper and other metals are still well below 1974 prices. He stresses that, "if the world wants metals then the prices must be commensurate with the costs involved in bringing in incremental production, and can only repeat that they will have to be a good deal higher than those we are seeing today."



Mr. John Du Cane

Indeed, Mr. Du Cane reckons that in the case of copper, "the problems of supply are likely to continue for some time to come," despite the re-opening of spare capacity. In this context it is worth recalling the recent comment of Rio Tinto-Zinc's Sir Mark Turner, (that a copper price of about \$1.50 per lb, compared with just under \$1 per lb at present, would be required to justify investment in a new mine of a group which has been notably successful in exploration in recent years. Mr. Du Cane points out: "There are no shortages of base metals in the ground, but huge sums of money are required to find, mine, smelt and refine them."

The danger is that as rising metal prices catch up with inflation, companies with existing sizeable production capacity will appear to be making handsome profits and will thus tempt governments to impose extra taxes on what will be regarded as windfall profits.

He hopes that, instead, governments will learn from the lessons of the past four years and allow the mining companies to rebuild their financial strength in order to be able to invest in new mining ventures. It is a hope that this column wholeheartedly shares, but politicians—like many of those who support them—tend to have short memories and also tend not to look too far ahead of the next election.

Meanwhile, Selection Trust looks to the U.S. as "a most promising area of growth" and

is to set up a corporate head-quarters in Denver, Colorado, "to step up the pace of our search for new business." The group's major investment, an 8.3 per cent stake in America's Amax natural resource giant is regarded as "North America's greatest mining company" and is clearly heading for a record year.

Selection Trust anticipates substantially better results this year from its Canadian South Bay copper-zinc mine in Ontario while the Detroit copper-zinc project in Quebec looks to be nearing a go-ahead decision. In Australia the revival in metal prices has led to a re-examination of the modest sized, but high grade, copper-zinc-silver deposit at Teutonic Boice where the partner is Mount Isa Mines. Selection Trust's big Agnew nickel mine has made its first shipments of metal to the Amax refinery in Louisiana and a 50 per cent expansion is being planned.

The Unsel gold mine in South Africa, where Selection Trust is partner with Union Corporation, is due to reach full production in November. In the UK, Selection Trust's industrial interests are expected to at least maintain earnings this year, while increased revenue is expected from the K/13 gas operation in Holland.

Earnings of Selection Trust this year look like moving ahead possibly 44 per cent share from

35.8p in 1978. Providing metal prices keep up, the group should do even better in 1980. It is worth pointing out that at a time of ceasing demand for metals Selection Trust, like Amax, has the advantage of young mining capacity. It also has to face a considerable amount of financing for the newer projects, but this should not be unduly difficult in the changed climate for metals and thus there is still a reasonable amount of manoeuvre for dividend increases—UK legislation permitting. At 544p the shares yield a modest 3.8 per cent but this lower than average return for a UK mining finance house is justified by the value of the holding in Amax and in that of the assets in new mines—metal in the ground may be a better investment than money in the bank these days.

Profits surge at MIM

MIM HOLDINGS, the leading Australian base metals producer, yesterday announced a striking rise in third quarter profits to A\$39.99m (£21.4m) from A\$12.3m in the same period of last year.

Performance in the 16 weeks to April 8 contrasted sharply with the A\$11.9m and the A\$14.2m earned in the first two 12-week periods of the financial year to next June. Net profits for the first 40 weeks of the year were thus A\$58.2m and represented a 67 per cent rise on income of A\$33.6m for the same period of 1977-78.

The higher level of profits over the first three quarters was based on a 35 per cent increase in sales revenue to A\$392.1m. The group caught the benefit of the gain in market prices for its main products—copper, lead, zinc and silver.

UK investors make up about 5 per cent of the MIM shareholders' list—Asarco, the U.S. group, owns 49 per cent. The group offers an entry into the strengthening base metals field in an area relatively free of political complications. The only impediments to a continuation of the third quarter trend in earnings are a sudden downturn on the metal markets, linked to a flattening in the U.S. economy, and a surge in operating costs.

Present trends on the markets suggest they could hold up at least until the end of the MIM financial year. The group declared a dividend of 4.5 cents after the first half, covered twice by earnings per share of 9 cents. Earnings per share for the whole year could be around 35 cents, compared with 18.3 cents in 1977-78. The group's dividend history suggests this could lead to a final of 44.5 cents, making 18.5 cents (8.8p) for the year against 9 cents in 1977-78.

Such a total payment would represent a yield of 4.7 per cent on 1977-78 prices. The closing share price of 228p, the shares rose 11p in the wake of the third quarter figures, but they remain in the lower half of their 1978-79 trading range of 197p-275p.

Mr. Max Lewinsohn, leader of the dissident shareholders at Saint Piran, claimed yesterday he had clear evidence that Mr. Wilmot Breeden's share price closed 2p lower at 112p. Earlier this week Rockwell announced that it had made application for its shares to be listed on the London and Frankfurt Stock Exchanges.

Mr. Lewinsohn claims this is clear from an analysis of the shareholders' register at the time when Mr. Raper appeared to sell his shares a few years ago and again, more recently, when Gasco Investments, of which Mr. Raper is chairman, has been buying shares.

According to Mr. Lewinsohn, the register indicates that, when Mr. Raper sold out, he sold to certain offshore companies and that these same companies are now selling the shares back to

Wilmot accepts £24m offer from Rockwell

Wilmot Breeden, the UK motor components manufacturer, has reluctantly dropped its opposition to a £24m takeover bid from Rockwell International of the U.S.

In a surprise move yesterday Wilmot Breeden advised its shareholders that on balance it is in their interests "to accept the 115p a share cash offer, although a statement from the company continued to argue that the bid was "inadequate". Only five weeks ago Wilmot's directors said that Rockwell's bid "significantly undervalued" the company, and that they would not recommend any offer below 135p per share.

The change of heart, however, effectively clears the way for Rockwell, which already holds 40 per cent of Wilmot Breeden's shares and is now assured of at least a further 8 per cent held by the Wilmot board and family trusts.

Rockwell's advisers last night welcomed the decision which it said was "in the interests of everyone" adding that the level of acceptance for the offer, which closes for the first time on May 11, was "very encouraging".

The timing of Wilmot Breeden's announcement appears to follow confirmation by the Takeover Panel that "only in exceptional circumstances" would Rockwell be allowed to increase its bid.

Although the U.S. company had categorically stated on two occasions that it would not go higher than 115p, Wilmot was pinning its hopes on either an improved offer from Rockwell or the emergence of a counter bidder.

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BIDS AND DEALS

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Poor start for S. Pearson

UNEVEN TRADING conditions in the UK and the disruption by the transport strike have combined to give S. Pearson and Son a poor start to the 1979 trading year, according to Lord Gibson, the chairman, in the annual report and accounts published yesterday.

He gives no indication of prospects for the rest of the year which he notes will depend on how home markets respond to the Government and overseas markets to oil price and exchange rate fluctuations.

Last year's profits, as known, increased by 14 per cent to £51.4m and earnings per share rose to 35.9p. The previous year's increase was 17 per cent. Part of the rise in earnings is attributable to a change in deferred tax treatment, whereby advantage is being taken of beneficial provisions between accounting dates and the dates when tax is payable on certain items.

The accounting policies have also been changed so far as goodwill is concerned. Total goodwill of £25.5m has been written off. Mr. Alan Whittaker, the finance director, explained that the move was in anticipation of a future EEC requirement and also a decision made in the light of the low weighting given to goodwill by bankers and creditors.

The balance-sheet reveals a 30 per cent increase in net borrowings to £65m, the bulk of which is attributable to the loan stock issued as part of the £44m takeover of Madame Tussaud's last year. Borrowings compare with shareholders' funds of £185m.

On the trading front demand for Royal Doulton tableware declined in the second half and production was reduced to match. Doulton Glass Industries, which supplies the glazing industries, continues to grow. Turnover reached £75m in 1978 from £11m in 1971 and pre-tax profits were £4.6m last year.

At Lazard Brothers, the merchant banking arm of the group, sterling earnings were lower as a result of a general sector squeeze on rates and margins. However, export finance earnings partly offset this. Pre-tax profits of £1.5m, the previous year's £1.2m, were only slightly down at £9.9m from £10.7m despite the absence of release of dealing provisions made in 1977.

The accounts also reveal that Lord Gibson's salary last year was £27,750. The previous year's salary of £25,000 was £27,750. The highest paid executive's salary was £58,285, a drop of £2,000 in 1977.

Running costs of publishing the Financial Times in Frankfurt will exceed by more than £4m in total attributable revenue over the next three years, but thereafter the burden will reduce rapidly. Meanwhile both circulation and advertising demand increased last year.

Losses are expected for a number of years from Fintel, the joint electronic communications venture with the Exchange Telegraph. At Westminster Press circulation and advertising volume increases were significant and pre-tax profits rose by 76 per cent to £10.9m despite increased losses in general printing.

The small increase at Longman was in line with expectations, despite below budget increases in Nigeria and Pearson Longman's interest has been reduced to 43.36 per cent. Longman Nigeria is now an associate company.

Heavy expenditure by Pearson Longman

Pearson Longman's accounts were also published yesterday. They vary from the parent company in that goodwill of £30.8m continues to be shown as an asset. Part of this is represented by copyrights.

Mr. Michael Hare, chairman, in his annual statement, points out that adopting current cost accounting principles published pre-tax profits of £25.5m (£21.4m) would reduce to £21.3m (£16.8m).

Mr. Hare says that the underlying trend of profits in 1979 is sound but industrial problems, both internal and external, had a "severe effect on profits in January and February." Result for the year will be affected by the heavy expenditure on developments at the Financial Times, Longman and Penguin. In the short term these programmes will have "an adverse effect on their results."

Participants in the consortium include Bow Valley with 26 per

150

PEARSON LONGMAN




A quoted subsidiary of S. Pearson & Son

FINANCIAL TIMES · WESTMINSTER PRESS
LONGMAN · PENGUIN · LADYBIRD

1978 was a record year for Pearson Longman

Pre-tax profits **£25.5m**

Extracts from
Mr. M. J. Hare's statement

FT	FINANCIAL TIMES National newspaper Business publishing Business information services	£3.1m
WP	WESTMINSTER PRESS Provincial newspaper publishing General printing	£10.9m
	LONGMAN GROUP Educational, medical and reference book publishing	£10.2m
	PENGUIN BOOKS Paperback books and other publishing	£1.5m
	LADYBIRD BOOKS Children's books	£0.7m
	Head Office Interest and expenses	(£0.9m)
Profit after taxation		£12.7m
Earnings per ordinary share		30.06p
Dividends per ordinary share		9.977p
Turnover		£175.9m

Tribute to Lord Gibson
I would like to express our appreciation for the outstanding service given to the company by Lord Gibson, who resigned from the chairmanship and from the board of the company in March 1979. During his chairmanship pre-tax profits of the company increased from £2.7 million to £25.5 million which in itself is a tribute to his stewardship.

Record Profit
1978 was a record year for Pearson Longman. Profits exceeded those of 1977 by substantially more than the rate of inflation even though they reflect some development expenditure. The profit before tax of £25.5 million compares with £21.4 million achieved in 1977, an increase of 19.2 per cent.

Dividend
We are proposing a final dividend which will increase the total for 1978 by 10 per cent over 1977 which is the maximum currently allowed to us.

Trading Activities
For The Financial Times the year was a particularly important one. It committed substantial development expenditure to three initiatives. The first was the publication of the daily newspaper in Frankfurt as well as in London; the second was the launching of *World Business Weekly* in North America; the third was the further development of Fintel, the joint company with Exchange Telegraph which is providing services in the business information field based on new electronic systems. Westminster Press had a very successful year due not only to strong advertising revenue but also because of circulation growth in many of its newspapers. Longman increased its profits and continued its policy of developing both the range of its publishing and the spread of its sales in varying parts of the world. At Penguin the results showed a modest overall improvement on 1977 and at Ladybird the profits increased satisfactorily as a result of higher book prices and of a greater volume of sales.

The Current Year
Results in 1979 will be affected by an exceptionally high level of development expenditure. It is unlikely that this expenditure will be offset by profit increases during the year, but in the longer term we envisage it will contribute greatly to the group's market strength and profitability.

Stop Press

I am delighted to record the honour bestowed on the Longman Group of The Queen's Award for Export Achievement.



To: The Secretary
Pearson Longman Limited
Millbank Tower
Millbank, London SW1P 4QZ

Please send me a copy of the 1978 Annual Report

Name _____
Company _____
Address _____

FT-3/5

INTERNATIONAL COMPANIES and FINANCE

Companies and Markets

NORTH AMERICAN NEWS

Battle for National Airlines heats up

By Our New York Staff THE BATTLE for control of National Airlines has gathered pace over the last few days as the parties jostle for position in advance of National's shareholders' meeting on May 16. National's gritty determination to fend off the small regional airline, Texas International Airlines (TXIA), has carried it to a virtually unprecedented legal move against the Civil Aeronautics Board. In essence, National filed papers on Tuesday asking a court to prevent the CAB from reviewing an administrative law judge's recommendation that TXIA should not be allowed to acquire the Miami-based carrier. If the CAB were barred from reviewing the judge's ruling, it would probably stand, and thus eliminate TXIA from contention. The same judge also ruled against the bidder preferred by National, Pan American World Airways, whose \$41 share offer will be recommended to the meeting. The same meeting will also consider a \$50 a share bid from National's competitor on New York-Florida routes, Eastern Airlines. The CAB, and ultimately the White House, which must endorse any final decision, hold the key to the resolution of this contest. Any decision at the shareholders' meeting is therefore provisional, and subject to whatever stand the Federal Government finally takes. But the line-up is as follows: ● Pan Am's \$41 a share bid has been recommended by the National board for acceptance. ● Eastern's \$50 a share bid is opposed, but if Eastern wins final government approval its bid would be accepted by National. If Pan Am also wins approval, Pan Am will have to match the bid, and the merger would then go to an auction controlled by National. ● TXIA, unlike both Eastern and Pan Am who are bidding cash, is offering a mix of cash and securities which it says is worth \$50. The CAB will decide on May 25 whether to endorse or reject the law judge's recommendations on the applications from TXIA and Pan Am. A separate law judge is considering Eastern's application.

Brascan in legal action to avoid control by Edper

BY JOHN WYLES IN NEW YORK BRASCAN, the Canadian holding company which is fighting to acquire F. W. Woolworth, has launched a court action to avoid falling under the control of another Canadian company which is strongly opposed to the \$1.12bn bid for this giant retailer. Late on Wednesday, Brascan secured a temporary injunction barring Edper Equities from completing purchases made on Tuesday of around 3.5m of Brascan's shares. In brief buying spree on Monday and Tuesday, which were unprecedented for the American Stock Exchange, Edper spent around \$152m on stock, which would raise its holding in Brascan to 31 per cent. Edper claims to have the support of owners of another 14 per cent in its opposition to the bid for Woolworth. A hearing on Brascan's application for a preliminary injunction against Edper will be held in New York this afternoon. Brascan claims that Edper, its officers and a Canadian brokerage house have violated U.S. securities laws. Brascan has also asked the New York State attorney-general to investigate Edper's actions. Meanwhile, Brascan cannot formally launch its tender offer for Woolworth before the New York attorney-general has heard and ruled upon the retailer's objections to the adequacy of the Canadian company's disclosures on its bid. A hearing on this is scheduled for May 10. Despite the battle with Edper, which is controlled by Peter and Edward Bronfman of Toronto, Brascan defiantly asserted "vigorously pursue" the Woolworth bid. Mr. J. H. Moore, the company's chairman, added "We won't tolerate illegal and improper opposition from a single shareholder however large its holdings." Edper, he said, had taken "numerous actions improperly designed to create uncertainty and doubt among both Wool-

worth and Brascan shareholders. "While professing to be acting on behalf of Brascan's shareholders, they have consistently concealed what appears to be their true intention to acquire Brascan, and perhaps Woolworth, without any genuine regard for the interests of any Brascan shareholder other than Edper," he went on. Brascan's management clearly has much riding on its case against Edper, which denies that it has any interest in acquiring Woolworth, directly or indirectly. Before Brascan made its legal move on Wednesday, Edper tried to be conciliatory in its statement issued after the share purchases, and stressed an interest in a co-operative relationship with Brascan's management. If Edper manages to retain and vote its newly acquired shareholding, the Woolworth bid looks unlikely to proceed, and the future of Brascan's current management would seem uncertain.

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Conoco forecasts record year

WILMINGTON—Mr. Ralph E. Bailey, chairman of Continental Oil Company (Conoco) said at the group's annual meeting that he expects Conoco to post record profits in 1979. He also expects the same for the industry as a whole, but added, "the industry faces record capital requirements and risks in developing needed additions to U.S. energy supplies." In 1978, Conoco earned

\$451.3m or \$4.20 a share on revenue of \$9.9bn. Mr. Bailey said Conoco's policy will be to plough back into domestic energy development all revenues derived from oil price decontrol. He saw no reason for the windfall profits tax proposed by President Carter. Mr. Robert O. Anderson, chairman of Atlantic Richfield, is also optimistic on the outlook. He looks for an increase in

second quarter earnings but does not expect it to match the 61 per cent first quarter gain. In the second quarter a year ago, Atlantic Richfield posted net earnings of \$210.5m, or \$1.73 a share. For the rest of the year, Mr. Anderson said the company expects very good results. "We feel we can stay very close to where we are," he declared. Agencies

Hooker costs hit Occidental

LOS ANGELES—Occidental Petroleum Corporation said the environmental problems of its Hooker Chemical Corporation subsidiary may require substantial expenditures. But the company said the expenditures are not likely to have a material adverse impact on Occidental's consolidated financial position. Occidental said that it and

Hooker accept a moral responsibility to help remedy any problems that may have arisen from Hooker's past practices, and that "responsibility will be discharged" even though the question of legal liability may be in dispute. Occidental reiterated that its estimate of the cost of cleaning up certain dump sites is a small fraction of a recently

published estimate of \$150m or more. Meanwhile, Occidental disclosed that it has paid its new vice-chairman, Mr. Zoltan Merszal, \$800,000 plus an annual salary of not less than \$280,000 as part of his employment agreement. Mr. Merszal was also granted a 50,000 share stock option at an option price of \$20.50 a share.

Rhone Poulenc plans U.S. takeover

By Our Financial Staff RHODIA, a wholly owned U.S. subsidiary of the giant French chemicals group Rhone-Poulenc, plans to make a cash tender offer for all of the outstanding shares of Anken Industries at \$21 a share. There are some 1.2m Anken shares outstanding, making the offer worth around \$25m. The Anken directors have voted to recommend shareholders to accept the proposed offer. Anken, whose 1978 turnover was \$32m and profit around \$2m makes film material. Mr. Robert M. Verburg, the president and chief executive of Anken Industries, told the annual meeting that joining forces with Rhone-Poulenc would enable Anken to achieve growth that otherwise might take several years. Following announcement of the Rhone-Poulenc-Anken agreement, Elder Corporation has withdrawn its proposal for a business combination with Anken.

Wells Fargo cuts role in Euroloans as spreads fall

BY NICHOLAS COLCHESTER WELLS FARGO and Company, the California bank which is the 11th largest in the U.S., is currently placing less emphasis on its international banking activities because of the low level of profit now available on Eurocurrency loans. Mr. Alan Holroyde, who has recently been appointed senior vice president in charge of Wells Fargo's London-based operations yesterday predicted a reduction in the amount of assets Wells Fargo would have in the form of such loans.

Wells Fargo is pursuing this strategy at a time when other large U.S. banks—namely Morgan Guaranty and Citibank—have acquiesced to the low level of spreads now available on syndicated loans. The most recent spread for a top quality Eurodollar and the interest rate between the market rate for Eurodollars and the interest rate paid by the borrower—has dipped fractionally below 1 per cent, and the risk premium charged for riskier borrowers has dwindled. As yet, there is no sign of a change in this situation. Mr. Robert Kemper, vice-chairman of Wells Fargo Bank, explained that banks based in the major U.S. money centres had less choice in the way they deployed their dollars than banks such as Wells Fargo, with a large retail base. His emphasis for the moment was on lending opportunities in California. He made it clear that Wells Fargo was happy with 20-30 per cent of its assets abroad, and that, in contrast to its strategy in the early 70s, it had no immediate desire to expand this proportion.

Steady tone in secondary deals

BY JOHN EVANS PRICES of Eurodollar bonds were steadier in quiet trading yesterday, with a continuing lack of support for many recent offerings. The \$40m eight-year 10 1/2 per cent issue from Avco Overseas Capital Corporation, at par was quoted at 97 1/8-98 1/4, to yield 10.60 per cent to maturity. A \$50m 10-year issue of Canadian Pacific, bearing 9 1/2 per cent, was quoted at a discount of 2 1/2 per cent from the issue price in pre-market indications. However, the \$100m of convertible floating rate notes

offering by Manufacturers Hanover Ltd., bearing interest at a point over 3-month Libor, was oversubscribed and completed yesterday. Some pre-market quotes suggest trading should commence today in the 99.99 1/2 area. Its companion, \$150m 30-year issue, for Manufacturers Hanover Corporation in New York was sold at 90 per cent last Friday, with the balance sold yesterday. Elsewhere, the \$150m 30-year issue, for Manufacturers Hanover Corporation in New York was sold at 90 per cent last Friday, with the balance sold yesterday. Elsewhere, the \$150m 30-year issue, for Manufacturers Hanover Corporation in New York was sold at 90 per cent last Friday, with the balance sold yesterday.

Brazilian state entity seeks loan

BY OUR EUROMARKETS STAFF THE Brazilian State merchant fleet authority, Superintendencia Nacional da Marinha Mercante (Sunamam), is seeking \$250m in the medium-term Eurocurrency markets. The \$250m will be divided into two \$125m tranches. The first portion carries a spread of 4 per cent over interbank rates, and a 12-year tranche a margin of 1 per cent. Grace period on

both tranches is six years. The loan is state guaranteed. Toronto Dominion Bank has received the mandate to raise the loan, and is assembling a management group. Sunamam's last big Euro credit, in mid-1978, was for \$300m. That loan, for 10 years, carried a 1 1/2 per cent spread. Among Mexican credits, Banco Nacional de Obras is understood to be giving notice of prepayment on an outstanding \$150m five-year credit at split spreads of 1 1/2 and 1 1/4 per cent raised in 1977. Mexico is currently in the middle of a programme, to reorganise a substantial portion of its foreign debt, particularly the high-cost loans contracted shortly after its economic crisis in 1976.

Resignations at Kohl

By David Lascelles in New York THREE MEMBERS of the family which founded and ran Kohl Corporation, the Wisconsin supermarket and stores chain acquired in 1972 by Brown and Williamson Industries, the British American tobacco subsidiary, have resigned. Their departure coincides with a far-reaching shake-up in the Brown and Williamson retail operation, which includes Gimbel's Saks, designed to make it more efficient and profitable. Mr. Herbert Kohl, 44, Kohl's president and chief executive officer, announced his resignation last week to J. Edens, B and W's president. Mr. Edens accepted the resignation with regret.

FT INTERNATIONAL BOND SERVICE

Table listing international bond issues with columns for Issued, Bid, Offer, Change, and Yield. Includes sections for U.S. DOLLAR STRAIGHTS, DEUTSCHE MARK STRAIGHTS, SWISS FRANC STRAIGHTS, and CONVERTIBLE bonds.

World markets as they move. NOW LIVE FROM TOKYO. Includes a graphic of a television screen showing a cityscape.

The Reuter Monitor is now providing banks and financial institutions in Japan with instantaneous information on world money markets. Subscribers worldwide receive fuller coverage of the yen. The Reuter Monitor is already established in Hong Kong, Singapore, Australia, Malaysia and the Philippines. The Japan link extends our coverage in the Far East. Locally-based financial institutions can now exchange continuously updated information, at the touch of a button, with over 4,000 of their counterparts in 35 countries. For further details of the Reuter Monitor in your area please contact: TOKYO: Tadashi Wada Tel: 5844544 HONG KONG: Luc Worsell Tel: 261361 SINGAPORE: James Tan Tel: 2201282 KUALA LUMPUR: Mohamed Ali Tel: 208911 MANILA: Fred Tobiasz Tel: 594817 SYDNEY: Mike Driver Tel: 616301

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Companies and Markets INTNL. COMPANIES and FINANCE

FRENCH ACCOUNTING

COB again urges greater disclosure

BY DAVID WHITE IN PARIS

FURTHER IMPROVEMENTS in the standard of information made available to shareholders of French companies are urged by the Stock Exchange Commission (COB) in its annual report.

future, says the report. The consolidated accounts which are published too rarely contain information on how they can be compared with those of previous years, the report goes on.

holding group which formerly controlled the leading steel producer Usinor, for the sale of shares at a time when its chairman had been informed of the plan due to be announced.

incentives for investment in shares. Tax exemptions led to a sharp increase in the assets of portfolio investment companies (Sicavs) to FF 37bn (\$8.5bn) from FF 27bn.

RSV sinks deeper into the red

BY OUR FINANCIAL STAFF

HOLLAND'S major shipbuilding group, the loss-ridden Rijn-Scheepvaart (RSV), is seeking up to Fl 750m (\$364m) in aid from the Dutch government and has warned of the serious consequences of further heavy losses this year.

depending on whether its large shipbuilding and offshore activities were continued or not. Both amounts would include the conversion into interest-free debt of Fl 120m already received from or promised by the government.

account would be as high as Fl 555m. Closing them, the company said, would cost around Fl 180m.

Setback for French steelmaker

By Our Financial Staff

THE HEAVY losses forecast for 1978 by French steelmaker Denain Nord-Est Longwy emerge at FF 656.4m (\$150m) compared to a deficit of FF 7.86m in 1977.

Strikes hamper Krupp steel

BY ADRIAN DICKS IN BONN

THE STEEL making arm of the Krupp group, Fried. Krupp Huettenerwerke, made a loss of DM 65.8m (\$34.81m) in 1978, up by two-thirds from the DM 40m loss suffered in 1977.

such as property sales. While FKH has not yet published full details of 1978 performance, it said that significant benefits had already been felt.

At Bochum, the company is undertaking the reconstruction of its steel forging activities, as well as installing an electric arc furnace to help shift the emphasis further towards special steels production.

Finnish paper group is more hopeful

By Lance Keyworth in Helsinki

WILHELM SCHAUMAN, the Finnish pulp and paper company, cut its losses sharply last year and is reasonably hopeful about the outlook for 1979.

Norwegian state refiner cuts deficit by half

BY FAY GJESTER IN OSLO

NOROL, NORWAY'S state-dominated petroleum refining and marketing company, reports significantly improved results for 1978. Net losses have been halved to Nkr 36m (\$7m).

it was formed in 1976 through a state takeover of BP's Norwegian affiliate, Norsk Braendseolje plus some smaller mergers. Braendseolje made a loss in its last operating year, which the new company inherited.

Optimism from Tampella

BY OUR FINANCIAL STAFF

FINNISH PAPER group, Tampella, whose net profits last year edged ahead to FM 3.82m (\$960,000) from FM 3.74m, is cautiously optimistic about the outlook for the current 12 months.

FM 1.58bn. The upturn was due mainly to the 22 per cent increase in turnover of Tampella Espanola and a 27 per cent increase in the sales of Etelä-Suomen.

Swiss brewer dips into losses

BY BRIJ KHANDARIA IN GENEVA

UNVEILING consolidated figures for the first time, Swiss drinks group, Sihra, reports a net loss of SwFr 11.9m (\$6.9m) for 1978.

Mr. Nello Celio, the chief executive, said in Bern that but for the Dakar operation the group would have made a gross profit of SwFr 1.1m. The company's turnover was solidly above par.

tions in the 1979 financial year, but indicated that further expansion of reserves was needed before dividends could be resumed.

Weekly net asset value on April 27th 1979

Table with columns for Tokyo Pacific Holdings N.V. (U.S. \$62.57) and Tokyo Pacific Holdings (Seaboard) N.V. (U.S. \$45.58). Includes information on listing on the Amsterdam Stock Exchange and contact details.

VONTOBEL EUROBOND INDICES table showing price index and average yield for various bond categories like DM Bonds, HFL Bonds, U.S. \$ Str. Bonds, and Can. Dollar Bonds.

THIS ANNOUNCEMENT APPEARS AS A MATTER OF RECORD ONLY



PAKISTAN INTERNATIONAL AIRLINES CORPORATION

CORPORATION

U.S. \$60,000,000

AIRCRAFT FINANCING

GUARANTEED BY

THE PRESIDENT OF THE ISLAMIC REPUBLIC OF PAKISTAN FOR AND ON BEHALF OF THE ISLAMIC REPUBLIC OF PAKISTAN

\$34,500,000

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FEBRUARY 22, 1979

This advertisement complies with the requirements of The Stock Exchange of the United Kingdom and the Republic of Ireland.



U.S. \$100,000,000

Manufacturers Hanover Overseas Capital Corporation

(incorporated under the Laws of the State of Delaware, U.S.A.)

Guaranteed Floating Rate Notes due 1994

Convertible Through May 1986 into 8% Guaranteed Debentures due 1994

Unconditionally Guaranteed by

Manufacturers Hanover Corporation

(incorporated under the Laws of the State of Delaware, U.S.A.)

Issue Price 100%

The following have agreed to subscribe or procure subscribers for the Notes:

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The 100,000 Notes of U.S. \$1,000 each constituting the Guaranteed Floating Rate Notes due 1994 and the 8% Guaranteed Debentures due 1994 have been admitted to the Official List of The Stock Exchange of the United Kingdom and the Republic of Ireland subject, in the case of the Notes, only to the issue of the Notes, and, in the case of the Debentures, to exercise of conversion rights on the Notes.

Particulars of the Notes and Debentures, the Issuer and the Guarantor are available in the statistical services of Exel Statistical Services Limited and may be obtained during normal business hours on any weekday (Saturdays excepted) up to and including 16th May, 1979 from:

Cazenove & Co. 12 Tokenhouse Yard London EC2R 7AN

3rd May, 1979

LEADERS AND LAGGARDS

The following table shows the percentage changes which have taken place since October 29, 1978, in the principal equity indices of the FT Actuarial State Indices. It also contains the Gold Mines Index.

Table showing percentage changes for various indices: Mining Finance, Food Retailing, Stores, Entertainment and Catering, Property, Insurance (Life), Electronics, Radio and TV, Building Materials, Financial Group, Overseas Traders, Consumer Goods (Non-Durable) Group, 500 Share Index, Electricals, All-Share Index, Insurance (Companys), Consumer Goods (Durable) Group, Investment Trusts, Capital Goods Group, Hire Purchase, Contracting and Construction, Engineering Contractors, Wines and Spirits, Metal and Metal Forming, Other Groups, Tobacco, Packaging and Paper, Chemicals, Food Manufacturing, Gold Mines FT, Mechanical Engineering, Shipping, Pharmaceuticals Products, Office Equipment, Textiles, Motors and Distributors, Household Goods, Insurance Brokers, Teatiles, Toys and Games, Industrial Group, Consumer Goods (Durable) Group, Investment Trusts.

Record profits at Matsushita

BY YOKO SHIBATA IN TOKYO

MATSUSHITA Electric Industrial Company achieved record earnings and sales on a consolidated basis for the 1978-79 first quarter, ended February 20.

Consolidated net sales went up by 8 per cent to ¥528.61bn (\$2.38bn) and net profits rose by 5 per cent to ¥19.44bn (\$83.10m). Profits per share were ¥16.67, compared with ¥16.12 a year earlier.

During the quarter, Matsushita's exports dropped by 11 per cent to ¥125.72bn, in part reflecting the yen appreciation and in part the suspension of colour TV exports to the U.S.

The U.S. Treasury has been demanding that importers of Japanese colour TV sets pay anti-dumping duties on sets sold over a two-year period to June 1973.

Treasury will send an investigation team for the verification of the documents which Japanese manufacturers submitted to the Treasury last January.

To cope with the difficulties, Matsushita Electric split Quasar Electronics, a division of Matsushita Electric of America, into two companies last January so that the company was able to produce the Quasar brand and Matsushita's own Panasonic brand.

The company forecasts that exports for the current fiscal year will dip by 4 per cent, chiefly because of the sharp fall in colour TV exports. However, the favourable impact of the recent yen depreciation is expected to limit the decline.

Matsushita has assumed an exchange rate at around ¥190-195 against the U.S. dollar during the current fiscal year. Meanwhile, double-digit growth is expected in domestic sales. Last month Matsushita issued 4.4 per cent unsecured convertible debentures with a maturity of six years, and was the first Japanese corporation authorised to issue unsecured bonds. Through this issue, the company will raise ¥50bn.

ASIAN FINANCE

The CD vogue spreads to Malaysia

BY ANTHONY ROWLEY, RECENTLY IN KUALA LUMPUR

CERTIFICATES of deposit (CDs) are in vogue in Asia at present and this week Kuala Lumpur has become the latest of three South-East Asian capital markets to introduce a formal market in these negotiable instruments.

At the same time, yesterday, Kuala Lumpur also inaugurated a formal market in bankers' acceptances, designed to reduce the cost of trade credit as well as to provide corporate borrowers with new avenues for fund raising, and the money market with new instruments.

Malaysia's neighbour, Singapore launched a formal market in Singapore dollar-denominated CDs just over a year ago, and this has flourished, albeit that the market is heavily dominated by the Japanese banks there investing in each other's CD issues.

With the launching of Malaysian dollar (or ringgit) denominated CDs, Kuala Lumpur becomes the third of the trio, although the Malaysian capital has varied on Singapore by instituting a formal market in bankers' acceptances as well. The Singapore Monetary Authority has been contemplating a similar, bankers' acceptance move for some time, but has yet to go ahead.

The introduction of CDs in Malaysia signifies, through official eyes at least, increasing sophistication on the part of Malaysian corporate treasurers and other major investors in the use of surplus funds.

Nevertheless, the central bank, Bank Negara Malaysia, is urging all banks here to "conduct campaigns" to make sure that investors understand what making a market for these CDs are all about.

The success in instruments depends on the demand for them by businessmen, corporate treasurers, institutional investors and to a limited extent, individuals. The central bank said in recently-issued guidelines to the banks. The launching of the two financial instruments is seen by some bankers as portending increased competition for funds among commercial banks, and between commercial and

merchant banks. The moves follow closely on the decision by the central bank late last year to free deposit rates from official determination, in favour of free competition on rates among the commercial banks.

The Bank Negara sees the closed around 5.25 per cent, and one-year at 6.30 per cent. Dealers reported that Malaysian Banking issued about 10m ringgit of six-month and one-year CDs in the morning, while Citibank issued 3m ringgit. Other major banks also made issues.

freer interest rate structure, together with recent reforms in bank liquidity and reserve requirements, and the introduction of CDs and bankers' acceptances as part of a package designed to create an "increasingly market-oriented (financial) system" in Malaysia. Bankers' acceptances will provide companies with a short-term funding source additional to overdraft and revolving credit facilities.

U.S.\$500,000, per issue, and for maturities of between three months and three years.

Finance companies, merchant banks and discount houses, however, will be permitted to join the commercial banks initially in becoming "principal dealers" in CDs.

Some bankers feel that the Bank Negara's "wait and see" approach towards designating official secondary market makers might deter corporate treasurers from trying to accept fixed deposits from the corporate sector, although only of 1m ringgit and above, compared with the minimum 250,000 ringgits they wanted.

Possibly as a sop for not being able to issue CDs, Malaysia's 13 merchant banks have been permitted, as from March, to accept fixed deposits from the corporate sector, although only of 1m ringgit and above, compared with the minimum 250,000 ringgits they wanted.

White the movements in the index could not be forecast accurately, the stock market had "been performing well" and the prospect was for a good year in the equity market. Behind this view lay various factors:

Harper Gilfillan back on growth path

BY WONG SULONG IN KUALA LUMPUR

HARPER GILFILLAN, the Malaysian-based South East Asian trading, engineering and shipping group, is back on the growth path after several years of depressed results.

Group profit before tax for last year amounted to 9.17m ringgit (U.S.\$4.1m) for an increase of 26 per cent.

The group's trading profits rose from 4.8m ringgit to 5.3m ringgit, while the share of profits from associated companies rose from 2.4m ringgit to 3.5m ringgit.

Hargill Malaysia, the engineering subsidiary, recorded further losses during the year, but these were at a much lower level.

Earnings from activities in Singapore and Hoag Kong showed a steady improvement.

A final 15 per cent dividend is declared, making 20 per cent for the year, compared with 15 per cent in 1977.

Earnings surge at IDB Bankholding

By L. Daniel in Tel Aviv

THE IDB Bankholding Corporation has reported an increase of 68 per cent in its consolidated assets in 1978 to I£19.8bn (\$3.7bn), and a similar gain in net income to I£628m (\$36m), exclusive of extraordinary items.

The consolidated accounts cover four subsidiaries, including the Israel Discount Bank and the Discount Bank Investment Corporation, as well as the holding in Clal Investment Corporation, included for the first time.

The group accounts, through the Discount Bank and its banking subsidiaries, for 20 per cent of Israeli banking. IDB Bankholding has already distributed an unchanged cash dividend of 15 per cent and a stock dividend of 33.3 per cent against 25 per cent for 1977.

Sharp gain at Frutarom

By Our Tel Aviv Correspondent

ELECTRO Chemical Industries (Frutarom) of Acre—one of Israel's leading petrochemical companies—finished 1978 with a net profit of I£36m (\$1.7m), for an increase of 400 per cent on 1977, despite increases in the prices of energy and raw materials, and in spite of the fact that new facilities are waiting to go on stream.

Pending a yield from its recent investments, Frutarom will distribute I£36m nominal of bonus share—a rate of 15 per cent. Two-thirds of the company's capital was mobilised in the summer of 1977 so that this is the first dividend on the new shares.

Nomura seeks to expand in Europe

BY DONALD MACLEAN

NOMURA SECURITIES, the leading Japanese securities house, is looking to underwriting of share and convertible issues for immediate profits growth, against the background of the dull Japanese bond market.

The company, the main profit sources of which lie in stock market and investment trust business, does 80 per cent of its business in Japan, and 20 per cent abroad—with profits in Japan accounting for 90 per cent of the total—but it is following a policy of overseas expansion. Mr. Setsuya Tabuchi, the recently elected president, said in London.

In particular, the company would like to diversify further in Europe, not only in the underwriting of corporate issues, but also in brokerage and trading in Eurobonds.

Together with the other major Japanese securities houses, Nomura was badly hit in the financial year to March by the fall in the Japanese domestic bond market. Its operating profits rose 17.5 per cent to ¥39.93bn (\$186m), but net profits gained only 3.8 per cent to ¥20.35bn, while revenues increased 2.8 per cent to ¥105.66bn.

At the same time that Nomura is seeking expansion abroad, it supports the opening of the Tokyo financial markets to increased foreign operations.

The current moves in Japan towards greater Government management of the national bond market are seen as "advisable" by the company. While the outlook for interest rates is "difficult" to predict—with the main factors identified as imported inflation and the level of equipment investment—

rates are thought to be going "not much higher" in coming months.

Growth in the Japanese gross national product, said Mr. Tabuchi, was likely this financial year to be in the 5-6 per cent region—similar to that last year.

White the movements in the



Mr. Setsuya Tabuchi, president of Nomura Securities

Index could not be forecast accurately, the stock market had "been performing well" and the prospect was for a good year in the equity market. Behind this view lay various factors:

● The relatively low equity ratio of Japanese companies which attracted investors;

● Clear signs of a recovery in profits;

● The fact that the major companies had in the past invested heavily in equipment modernisation, and that the peak of depreciation on this was over, so that reported profits now would be the higher.

Nestle Australia raises payout to parent

BY JAMES FORTH IN SYDNEY

THE NESTLE Company (Australia) has more than doubled the dividend payment to its Swiss parent after a solid recovery in earnings in the year to December 31. The profit rose sharply from A\$1.96m to A\$6.62m (U.S.\$7.03m), which the directors said was aided by a partial restoration of margins in some product lines.

Group sales rose by 8 per cent, from A\$200m to A\$212m (U.S.\$233m). The result is still below the peak A\$7.2m earned in 1976. However, the directors have decided to boost the dividend to the parent from A\$3.71m to A\$8.33m, the highest payment to date. Two dividends totalling A\$4.3m have already been paid.

Mr. H. W. Marchant, the chairman and managing director of Nestle, said that the dividend was increased because retained earnings were at high levels. "We thought it timely for our Swiss parent to benefit from the improved results," he said.

Associated Japanese Bank (International) Limited. Extract from Audited Accounts. Table with columns for 28th Feb. 1979 and 28th Feb. 1978. Rows include Share Capital, Retained Profit, Subordinated Loans, Deposits, Loans, Total Assets, Profit before Taxation, Profit after Taxation.

AVIACO AVIACION Y COMERCIO, S.A. U.S. \$9,500,000 Aircraft Financing 7 Year Term Loan. INSTITUTO NACIONAL DE INDUSTRIA. UNITED INTERNATIONAL BANK LIMITED. CANADIAN IMPERIAL BANK OF COMMERCE. NIPPON EUROPEAN BANK S.A.

BANRO CONSOLIDATED INDUSTRIES LIMITED. Listing of 307,000 5 per cent Cumulative Preference Shares of £1 each. MARGETTS & ADDENBROOKE. CENTURY HOUSE, 75/77 COLMORE ROW, BIRMINGHAM B3 2AT. STEPHENSON HARWOOD. SADDLERS' HALL, GUTTER LANE, CHEAPSIDE, LONDON. EC2V 6BS. 3rd May, 1979.

Banca Commerciale Italiana Holding Société Anonyme (Incorporated in Luxembourg) U.S.\$60,000,000. Guaranteed Floating Rate Notes 1981. For the six months from 17th April, 1979 to 17th October, 1979. The Notes will carry an interest rate of 11 7/8% per annum.

U.S.\$35,000,000 BEOGRADSKA BANKA Floating Rate Notes due 1983. In accordance with Condition 11 of the Notes, notice is hereby given that for the six-month period April 27th 1979 to October 29th 1979 the Notes will carry in interest rate of 11.75%.

U.S. \$25,000,000 UNITED OVERSEAS BANK LIMITED (Incorporated in the Republic of Singapore). Notice is hereby given that the Coupon Amount for the current interest period from 29th March, 1979 to 29th June, 1979 is U.S. \$28.59 per U.S. \$1,000.

CLIVE INVESTMENTS LIMITED. 1 Royal Exchange Ave., London EC3V 3LU. Tel: 01-283 1101. Index Guide as at May 1, 1979 (Base 100 on 14.1.77).

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD. 45 Cornhill, London, EC3V 3PB. Tel: 01-623 6314. Index Guide as at April 26, 1979.

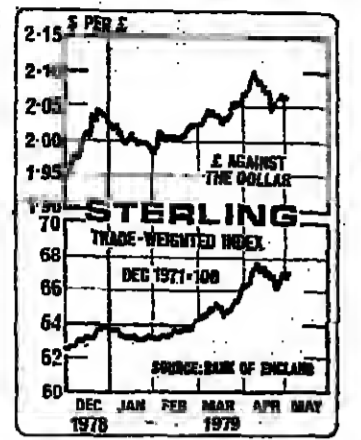
AVIACO AVIACION Y COMERCIO, S.A. U.S. \$9,500,000 Aircraft Financing 7 Year Term Loan. INSTITUTO NACIONAL DE INDUSTRIA. UNITED INTERNATIONAL BANK LIMITED. CANADIAN IMPERIAL BANK OF COMMERCE. NIPPON EUROPEAN BANK S.A.

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CURRENCIES, MONEY and GOLD

Pound firmer

TRADING in yesterday's foreign exchange market remained fairly quiet with attention focusing mainly on sterling. Further demand notably from Europe may have prompted the Bank of England to intervene on a small scale to keep rates steady. On a trade weighted basis, the pound's index rose to 67.2 from 66.9, having stood at 67.2 at noon and 67.0 in the morning.



Against the dollar, sterling opened at \$2.0555 and eased initially on dollar interest to \$2.0555, its low point for the day. The rate soon recovered however to \$2.0650 and demand from Europe pushed up the rate to \$2.0700 where the authorities may have intervened, and by lunch the pound had fallen back to \$2.0650. Further interest during the afternoon saw a high for the day of \$2.0720 before a closing level of \$2.0675-2.0685, a rise of 75 points.

The dollar showed an improvement against most currencies with sentiment still buoyed by higher interest rates in the U.S. Against the D-mark it finished at DM 1.8010 from DM 1.8945

and SwFr 1.7230 against SwFr 1.7165 in terms of the Swiss franc. The Japanese yen continued to decline following its weaker performance in Tokyo and the dollar rose to ¥225.10 compared with ¥224.20 on Tuesday. On Bank of England figures, the dollar's trade weighted index rose from 86.5 to 86.6.

The Irish punt eased against sterling at 97.07 from 97.60 but was unchanged against the dollar at \$2.0075. In terms of EMS currencies the punt improved and was quoted at BFR 60.75 against BFR 60.55 in terms of the Belgian franc and FFf 8.728 from FFf 8.757 against the French franc. It rose to DM 3.516 from DM 3.504 against the D-mark. At 1.1580 from FFf 4.1324 against the guilder, L1,700.05 from L1,697.34 against the lira and Dkr 10.6938 from Dkr 10.6478 in terms of the Danish krone.

FRANKFURT—The dollar was fixed lower yesterday at DM 1.8995 against Monday's level of DM 1.8019 in relatively quiet trading. There did not appear to be any reaction to West German trade figures for March which were much in line with market expectations and the subdued conditions tended to reflect a general lack of interest on the first day after the holiday.

TOKYO—The dollar continued to improve against the yen despite continued intervention estimated at around \$300m by the Bank of Japan. It closed at ¥224.65 compared with Tuesday's close of ¥223.775. At one point it touched ¥223.50, its best level since May 1978. The Bank's support operations saw the dollar retreat slightly during the morning before it steadied during the afternoon. Trading was generally very heavy with \$1.091bn dealt in the spot market.

THE POUND SPOT AND FORWARD

Table with columns: May 2, Day's spread, Close, One month, 3 months, 6 months. Lists various currencies like U.S., Canada, Belgium, Denmark, etc.

THE DOLLAR SPOT AND FORWARD

Table with columns: May 2, Day's spread, Close, One month, 3 months, 6 months. Lists various currencies like U.K., U.S., Canada, etc.

CURRENCY RATES

Table with columns: May 1, Bank, Special Rights, European Currency Unit, May 2, Bank of England, Quoted, Changes %.

CURRENCY MOVEMENTS

Table with columns: May 2, Bank of England, Quoted, Changes %.

OTHER MARKETS

Table with columns: May 2, Note Rates, Argentina, Australia, etc.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: ECU, Currency amounts, % change, % change, Divergence limit %.

EXCHANGE CROSS RATES

Table with columns: May 2, Pound Sterling, U.S. Dollar, Deutschm, Japan's Yen, French Franc, Swiss Franc, Dutch Guilder, Italian Lira, Canada Dollar, Belgian Franc.

EURO-CURRENCY INTEREST RATES

Table with columns: May 2, Sterling, U.S. Dollar, Canadian Dollar, Dutch Guilder, Swiss Franc, West German Mark, French Franc, Italian Lira, Asian \$, Japanese Yen.

INTERNATIONAL MONEY MARKET

Belgian Bank Rate 7%

The Belgian National Bank has raised its Bank Rate to 7 per cent from 6 per cent, and abolished the two-tier system in its lending to commercial banks. Under this system banks were allowed to discount bills at a favourable "A" quota rate of 6 per cent, but one quarter of any bank's bills had to be discounted at a penal rate of 7 per cent, known as the "B" quota. The quota system was introduced last October, with "B" quotas at the same level as the Lombard Rate, which was then increased to 8 1/2 per cent from 8 per cent.

Bank Rate steady at 6 per cent since last July. Lombard Rate, the rate for normal advances, has been left at 7 per cent, thus bringing Bank Rate and the Lombard Rate into line with each other. With the ending of the two-tier system all bills will also be discounted at 7 per cent. Weakness of the Belgian franc in the European Currency System, particularly against the Danish krone, had led to speculation that an upward move in Belgian interest rates was likely. Danish interest rates are much higher than Belgium's, although Denmark's inflation rate is correspondingly higher. At yesterday's foreign exchange fixing in Brussels, the krona rose to BFR 5.6875 from BFR 5.6585 previously, and compared with a ceiling for the Danish currency of BFR 5.6960.

UK MONEY MARKET

Very large help

Bank of England Minimum Lending Rate 12 per cent (since April 5, 1979). Day-to-day credit was in short supply in the London money market yesterday, and the authorities gave very large assistance by buying a moderate amount of Treasury bills and a small number of local authority bills, some of which were for sale to the market at a fixed future date. The Bank of England also lent a large amount to four or five discount houses, overnight at

small decrease in the note circulation. Discount houses paid around 12 per cent for secured call loans in the morning, and rates may have touched 12 1/2 per cent in places, before closing at 10 1/2 per cent. In the interbank market overnight loans opened at 12 1/2 per cent, and remained at that level for most of the day, but fell sharply to 5-6 per cent at the close. Rates in the table below are nominal in some cases.

LONDON MONEY RATES

Table with columns: May 2 1979, Sterling Certificate of deposit, Interbank, Local Authority deposits, Finance House deposits, Company deposits, Discount, Treasury Bills, Eligible Bank Bills, Fine Trade Bills.

GOLD

Little change

Gold showed very little movement in the London bullion market yesterday and edged up just 5 1/2 ounces to close at \$246.347. The metal traded in a fairly narrow range after opening at \$246.247. There appeared to be some caution in the market with business remaining for 12-month. PARIS — Day-to-day money rose to 7 per cent from 6 1/2 per cent, while period rates were unchanged at 6 1/2-6 3/4 per cent for one-month; 7 1/2 per cent for three-month; 7 1/2 per cent for six-month; and 7 1/2-7 3/4 per cent for 12-month. FRANKFURT — Interest rates were firmer, with call 5.20-5.30 per cent, against 5.10-5.30 per cent; one-month at 5.40-5.50 per cent compared with 5.30-5.50 per cent; three-month at 5.70-5.75 per cent compared with 5.50-5.70 per cent; six-month at 6.10-6.20 per cent compared with 5.80-6.00 per cent; and 12-month at 6.45-6.55 per cent against 6.00-6.20 per cent.

MONEY RATES

Table with columns: NEW YORK, Prime Rate, Fed Funds, Treasury Bills, GERMANY, Discount Rate, Overnight Rate, One month, Three months, Six months, FRANCE, Discount Rate, Overnight Rate, One month, Three months, Six months, JAPAN, Discount Rate, One month, Three months, Six months.

"Provident Mutual- A major force in the market"

Extract from the Chairman's statement - Mr David L.M. Robertson.

"The accounts of the Association disclose another year of marked expansion. New annual premium income at £19.5m was conspicuously higher than in 1977, an increase of 48% against the industry average for the same period of 28%. The company pension market, stimulated by the new State pension scheme, contributed £9.8m to the figure and there was a healthy increase of 53% in individual life business which rose to £5.2m."

"These figures reflect the general pattern in the life and pensions market and emphasize the major force that Provident Mutual has become in the market in recent years. The total premium income for the year, £70m, compares with £56m in 1977."

"Occupational pension schemes contributed to the Association's success as there was a substantial increase in the provision of benefits for senior executives under one man arrangements based on the individual pension contract; there were benefit improvements in many group schemes; and there were a number of new schemes associated with the introduction of the state earnings-related pension scheme. The administrative work involved in connection with the new State Scheme has been heavy, and it is gratifying that it has not proved unproductive in terms of new business."

Provident Mutual Managed Pension Funds. "Once again the subsidiary company transacting managed fund business for

occupational pension schemes has had a successful year. For the second year running, funds under management have more than doubled, with £11.8m of policyholders' funds at 31 December 1978." The Future

"As most employers have reviewed their pension schemes in 1978 it is to be expected that there will be a period of perhaps two or three years in which growth in this area will be lower than has been experienced in the past"

"An area which remains largely untapped is voluntary contribution schemes whereby pension scheme members can secure additional superannuation benefits, up to Inland Revenue maxima, by additional personal contribution. This is a new business opportunity which we plan to pursue more aggressively with insurance brokers."

"In my statement in the 1976 Report and Accounts, I compared direction of investment with nationalisation, saying that it was about concentrating power in a few political hands with the added danger that it would be achieved by stealth. I can only repeat that the motives behind these calls for direction of investment are at best misguided and in some cases malevolent"

Summary of Principal Results table with columns: 1978, 1977, £m, £m. Rows: New annual premiums, New sums assured, Funds at year end.

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WORLD STOCK MARKETS

Wall St. slightly easier at mid-session

INVESTMENT DOLLAR PREMIUM... Effective 32.0680 27.1% (26.1%)... AFTER STARTING on a slightly firmer note, Wall Street slipped a little to mid-session yesterday, following a fairly active trade.

sheed of today's report on April... Active Occidental Petroleum shed \$1 to \$191. The company announced that the Securities and Exchange Commission has been investigating recent company filings to the SEC.

to \$401, Teradyne \$1 to \$311, Elcom \$1 to \$225 and Vopex 1 to \$133.

The Nikkei-Dow Jones Average closed 40.88 higher at a new record peak of 6,277.60 and the Tokyo SE index gained 1.48 more to 454.04.

exchange market. Sony up ¥60 on Tuesday, receded ¥70 to ¥2,170, while Pioneer Electronic declined ¥30 to ¥2,360.

Australia Markets continued to show a firming tendency in fairly active trading yesterday, but some of the lenders shed a little ground.

Indices

Table with columns for indices (Dow Jones, Nikkei, etc.), dates (May 1, 2, 3), and values. Includes sub-tables for 'STANDARD AND POORS' and 'NYSE ALL COMMON'.

All Common Index shed 11 cents to 57.23 and declines narrowly led rising issues by a six-to-five margin.

Analysts said recent economic indicators have produced confusion about whether the economy is picking up speed or slowing down.

Inter-City Gas, the most active Toronto issue on 164,295 shares, rose 1/2 to \$311.

Shippings continued to be affected reflecting the recovery in margin trading, which has been increasing sharply, didn't have a strong impact on the market.

Germany An easier tendency prevailed yesterday in rather quiet trading, leaving the Commerzbank index 2.2 down at 782.6.

Paris Bourse prices finished on an irregular note with mainly small movements either way after an idle trading session.

Analysts said recent economic indicators have produced confusion about whether the economy is picking up speed or slowing down.

THE AMERICAN SE Market Value Index managed to improve 0.13 to 184.32 at 1 pm on volume of 2.27m shares (6.10m).

Despite an announcement of tighter margin trading curbs, the market showed a fresh advance in the large turnover as investors concentrated their buying on low-priced speculative stocks.

However, export-orientated stocks were inclined to relinquish some ground despite a further fall in the yen against the dollar on the Tokyo foreign

exchange market. Sony up ¥60 on Tuesday, receded ¥70 to ¥2,170, while Pioneer Electronic declined ¥30 to ¥2,360.

Amsterdam Mixed movements were recorded after light dealings. However, brokers noted a firm undertone, adding that the market did not "react at all" to year-end remarks by Central Bank president Jelle Zijlstra.

NEW YORK

Table of stock prices for various companies in New York, including columns for Stock, May 1, Apr 30, and May 2.

CANADA

Table of stock prices for various companies in Canada, including columns for Stock, May 1, Apr 30, and May 2.

GERMANY

Table of stock prices for various companies in Germany, including columns for Stock, May 2, Apr 30, and May 1.

TOKYO

Table of stock prices for various companies in Tokyo, including columns for Stock, May 2, Apr 30, and May 1.

AUSTRALIA

Table of stock prices for various companies in Australia, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in London, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Montreal, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Johannesburg, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Tokyo, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Amsterdam, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Brussels/Luxembourg, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Paris, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Vienna, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Milan, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Zurich, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Sao Paulo, including columns for Stock, May 2, Apr 30, and May 1.

Table of stock prices for various companies in Madrid, including columns for Stock, May 2, Apr 30, and May 1.

EUROPEAN OPTIONS EXCHANGE table with columns for Series, Vol., Last, and Stock.

BASE LENDING RATES table with columns for Bank, Rate, and Term.

COPENHAGEN table with columns for Stock, Price, and Div. Yld.

AMSTERDAM table with columns for Stock, Price, and Div. Yld.

BRUSSELS/LUXEMBOURG table with columns for Stock, Price, and Div. Yld.

PARIS table with columns for Stock, Price, and Div. Yld.

STOCKHOLM table with columns for Stock, Price, and Div. Yld.

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FINANCIAL TIMES SURVEY

Thursday May 3 1979

1550

FOUNDRIES

Further rationalisation by mergers and closures in the next few years can be expected to alter the shape of the hard-pressed foundry industry in Britain. But foundries can also look forward to making significant advances through new techniques and the securing of wider markets against competition from other materials and processes.

Period of great change

By Roy Hodson

THE CASTING process is still the quickest way to make products out of raw metal. Usually it is the cheapest way, as well. During three years of recession those qualities have done little to comfort the foundries which have been woefully short of business. But they are factors which together will provide a sheet anchor for the industry during a period of great change that the foundries are now entering.

During the next few years, rationalisation by mergers and

closures can be expected to alter the shape of the industry in Britain. Meanwhile, the relationships between the various metals used in foundry can be expected to alter profoundly. Old markets will be lost and new markets will be won as industrial designers ring the changes on the uses of the main casting metals—iron in its various forms, steel, non ferrous metals, and aluminium.

Mr. Brian Cave, director of the Foundry Industry Training Committee, forecasts a decline in the labour force of British foundries from the present level of about 123,000 to around 100,000 by 1984. Foundries are now closing at a rate of one a week and any company working at more than four-fifths of its available capacity is considered to be doing well.

"Rationalisation with dignity" is the phrase chosen by Mr. Jim Mundell, chairman of the British Metal Castings Council, to describe his recipe for the industry's future strategy. According to Mr. Mundell the process of rationalisation will mean that in three or four years time some 90 per cent of the present foundry capacity will be fulfilled by only half the present number of foundries.

It is difficult to identify exactly how many foundries there are in Britain as a number of them work in more than one of the metal

categories. In addition, some hundreds of plants primarily concerned with other activities contain foundries and pattern shops.

Most sources agree, however, that the number of British foundries in all the metal sectors is of the order of 1,400. There are between 650 and 680 iron foundries, 75 steel foundries, smaller numbers of non-ferrous and aluminium foundries and a small number of foundries straddling various activities.

Decline

The iron foundries have suffered most during the last ten years. Their numbers have been almost halved. So continuous and relentless is the process of contraction that the industry is itself having difficulty in assessing exactly how many iron foundries have closed during the last year.

The smaller and more specialised steel foundries section has suffered also because of shortage of work. But it has not suffered a major and fundamental contraction on the same scale as the iron foundries.

In the non-ferrous sector, foundries have been mixed. The aluminium foundries are generally expanding, in the strongest position at present because of growing use of the metal in automobile components and other manufacturing. But even

they are suffering badly from over-capacity in their industry.

The Light Metal Founders' Association, speaking for the aluminium foundry industry, is now campaigning against the BL plan to build a new aluminium foundry at Leeds at a cost of £25m to produce "in-house" castings for future generations of BL engines. The aluminium foundries maintain that there is ample spare capacity among Britain's existing aluminium foundries to handle the business.

The Government recognised the difficulties being faced by the foundries by introducing the foundry aid schemes which are designed to put all sectors of the foundry industry on a more stable footing by 1980. Unfortunately, time has not been on the side of the schemes. They were intended to help the industry to modernise and re-equip to be ready to take advantage of an upturn in trade. Instead, demand for almost all foundry products has remained in the doldrums.

It is now likely that a number of the foundry investments which have been promised Government support under the aid schemes will either be cancelled by the companies concerned or shelved to await better times.

Under the foundry aid schemes, £80m was set aside to

help the ferrous foundries and £20m to help the non-ferrous foundries.

Most of the money has been allocated, although the schemes continue in being until the middle of next year. The ferrous foundries have been promised £75.5m towards investment projects which would cost the industry nearly £350m. The non-ferrous foundries have been promised £14.1m towards schemes worth nearly £70m.

But it is now clear that a number of the investment projects will not go ahead. The Department of Industry may be able to re-allocate some of the money not taken up by companies.

Critics

However, there is a growing body of opinion in the foundry industry that the aid schemes are not the right way ahead for the industry. Critics argue that the aid schemes, by encouraging modernisation and re-equipment and some expansion of foundry capacity, could cause an over-large foundry industry to remain in existence destined to operate at levels of working far below its actual capacity to produce.

In the opinion of a number of foundrymen what the industry now needs is fresh Government encouragement to rationalise, to cut back heavily upon under-

used or unused capacity and to concentrate upon getting the best out of a smaller but better equipped industry.

British foundries are suffering in an acute form a trend which has hit foundries throughout Europe. Production of iron castings in Europe has actually fallen from 13m tonnes a year since 1965. In Britain, iron castings production has fallen from 4.1m tonnes a year to 2.7m tonnes a year during the same period, according to Mr. Derek Farrant, director of the Council of Iron-foundry Associations.

Meanwhile, the members of the Steel Castings Research and Trade Association are said by Dr. J. A. Reynolds, their director to be working at their lowest level in the post-war years. In tonnage terms about 80 per cent of the metal cast in Britain now is iron, about 10 per cent is steel, and the remaining 10 per cent is non-ferrous.

The most crucial development within the aluminium foundry industry in recent years has been the growing potential for aluminium in automobile construction. Aluminium is only half the weight of iron or steel and is proving to be the natural route forward for car designers anxious to save weight and improve fuel consumption.

French, Italian, and Japanese car companies pioneered the

large-scale use of aluminium in mass-produced engines. In Britain, BL is now giving notice of moving the same way by its Leeds foundry investment plan. Ford also has plumped for the virtues of aluminium and intends to fit an aluminium cylinder head to the car code-named the Erica which is to replace the Esport.

Results

As the Erica engine is to be made in South Wales, and the turnover for the aluminium cylinder heads is unofficially estimated to be likely to reach £30m a year, the British aluminium foundries are certain to benefit to some extent from the new business. But indications are now that a proportion of the business will be going to Continental aluminium foundries which have been investing heavily in recent years in anticipation of new automobile contracts.

One of the leading European aluminium foundry groups, Honsel, has built up business worth £750,000 a year in the British market within a very short time and is now supplying castings to both Ford and Vauxhall.

The European aluminium foundries are taking the British market very seriously judging by this company and by the efforts being made to sell in

Britain by the two Renault foundry subsidiaries.

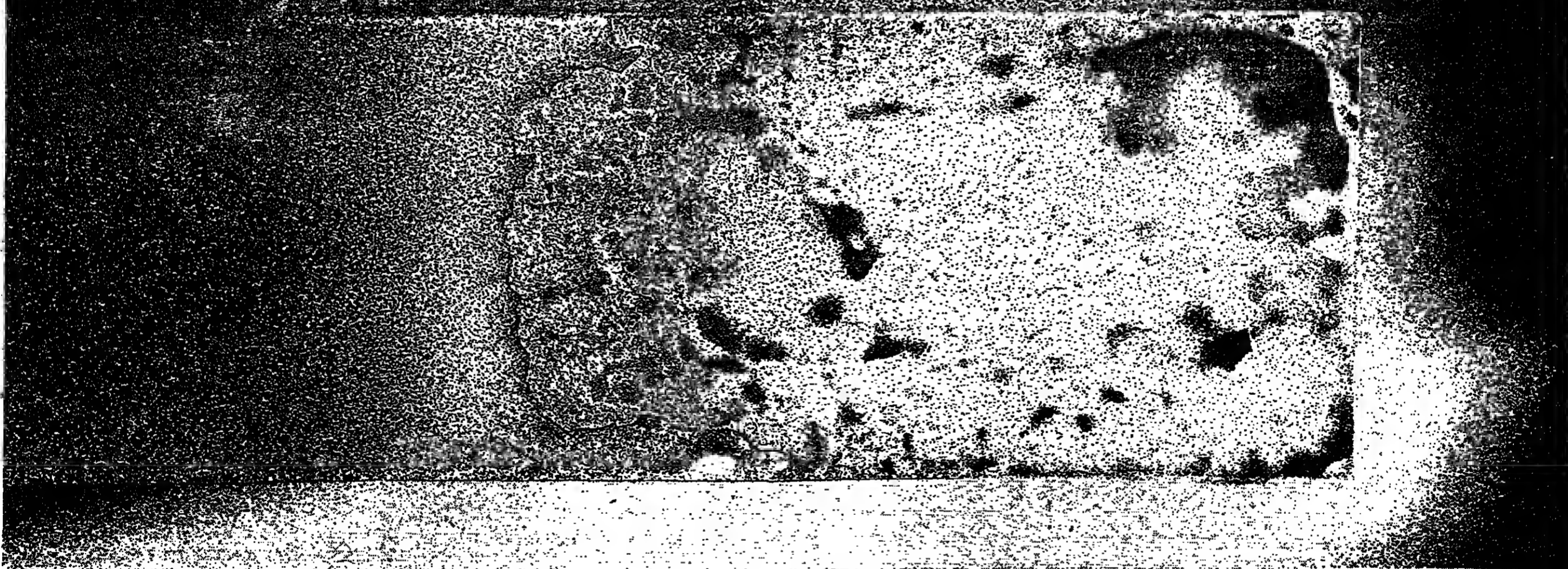
Rationalisation of the British foundry industry must remain as the most important single factor likely to influence the industry's future. But foundries can also look forward to making significant advances through new techniques and the securing of new markets against the competition of other materials and processes.

The best foundries are devoting considerable resources to new production methods which enable castings to compete on price and performance against forgings and fabrications.

The result is that there is a growing division between the specialist foundries as suppliers of components able to compete on merit, and the traditional foundries which are used to dealing with volume orders at competitive prices often are unwilling to innovate.

The foundry industry as it is composed in Britain today is so widely diversified into its activities—ranging from cast-iron bath-tubs to jet engine blades—that it is really a conglomerate of industries lumped together. There is an exciting future for those companies with superior technology. But many more foundries in the middle-ground of the industry will have to be closed or merged before the industry is brought into good trim to face the future.

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FOUNDRIES II

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BECAUSE OF the continuing depression in demand for iron castings, the foundry industry is showing increasing caution towards new capital investment plans aided by the Government schemes.

To take advantage of the schemes—and the Government has so far pledged £75.5m to generate new projects costing a total of nearly £350m—the investments must be completed by mid-1980, under the present rules.

It is becoming clear that a number of companies will intentionally not meet that deadline. Unless the rules are re-cast for the Government aid schemes, and the time limits extended, the promises of aid to individual companies not taken up by the dead-line will automatically lapse.

Companies are arguing that there is no point in investing in new capacity in an industry already bedevilled by surplus capacity and with no real expectation of an early upturn in demand.

During recent discussions about the problem in the foundry economic development committee (the "little nuddy"), concern was expressed that the biggest foundry improvement schemes are, unfortunately, the ones that are being hit worst by the new reluctance to invest.

Thus, the industry is not being strengthened by large and internationally competitive new units to the extent that is needed. While smaller and less viable plants are continuing in business.

Iron castings are used so universally throughout industry that only a general upturn in industrial production can help the iron foundry industry out of its prolonged state of recession. The home markets for automobile and tractor and industrial vehicle castings remain particularly weak and that aspect is probably the single biggest cause for concern among the iron foundry.

The only foundries reporting good business arising from automobile industry activity are those specialist foundry companies which are making sophisticated castings for car and truck production lines. They are benefiting from new invest-

ment in British car plants. John Borland, group sales director of one such company, Cronite, said his company's tonnage of high quality castings is being maintained because of demand for industrial heat treatment furnaces together with active aerospace business.

Lake and Elliot with plants at Braintree, Essex, and in Scotland, is another foundry company which has concentrated upon the upper end of the castings market and has found that policy an excellent recipe for weathering the recession. The group has spent £4m developing the Braintree plant.

"In spite of the recession," says Mr. Tim Lake, chief executive. "We have managed to retain our levels of business, so effectively increasing our market share in a shrinking overall castings market."

Generally speaking, however, inflation and poor demand are combining to hit iron foundry hard. Mr. Derek Farrant, director of the Council of Iron Foundry Associations, says prices of basic foundry raw materials have been rising at a much higher rate than castings prices. Thus, foundry profit margins have sunk to a dangerously low level.

In the first two months of 1979 iron foundry had to face a 10 per cent increase in the cost of pig iron, a 9 per cent increase in the cost of coke, and a 9 per cent increase in the cost of sand. Meanwhile, the price of ferrous scrap—which fell dramatically during the world steel recession—has been climbing sharply to pre-recession levels and in the

IRON CASTINGS OUTPUT. Table with columns: Year, Automobile tonnage %, Ingot moulds tonnage %, Pressure pipes and fittings tonnage %, Building and domestic tonnage %, Engineering tonnage %, Miscellaneous tonnage %, Total tonnage. Rows: 1948-1977.

Source: Department of Industry

first months of this year has risen by more than 30 per cent. The clear message from Mr. Farrant is that the price of iron castings will have to rise this year. But the foundry also know they are in a price sensitive market which could easily result in demand for castings falling to even lower levels than

the poor business they have been experiencing in recent years.

The iron foundry industry is looking anxiously towards the automobile industry for signs of better business. There is a feeling that now that foreign car imports have taken half the British home market the worst may be over for suppliers to the British automobile industry. Demand for castings should not fall much below the present levels. And there can be reasonable expectations that demand should rise as the new British car and engine production lines come on stream.

A more complex matter for the foundry industry to forecast is the likely trend in the British automobile industry in the use of castings and forgings in the various materials available. The foundry industry is now banking upon iron engine cylinder blocks being retained by most of the mass car producers for the next ten years. But they expect to lose heavily to aluminium in the cylinder head market as new engine designs are introduced. Britain will be simply marching in step with current world trends towards aluminium cylinder heads.

The iron foundry are looking for increased business in the production of crankshafts and connecting rods. In car engines, castings are replacing forgings for those parts.

The Department of Industry has repeatedly stressed the opportunities for increased castings exports that should, in its opinion, arise from the Government backing of the foundry aid schemes. But there is fairly widespread over capacity in iron castings production round the world and it will not be easy to build up a significant export trade. The industry's "little nuddy" has suggested a target of 15 per cent of production exported.

Many of the companies in the industry believe that such exporting efforts would prove expensive for small returns and their strategy ought to be to concentrate instead upon serv-

ing the home market. One way forward for the hard-pressed foundry is to make the best use they can of new technology available to them. Undoubtedly, the Government aid scheme is helping a number of foundries to adopt more efficient production methods.

One example is the Crown Foundry Company of Northampton which is using a Japanese designed vacuum moulding process to make piano frames and general air castings. The £1.3m plant was installed last year backed by a £350,000 grant under the aid scheme.

A moulding machine is making more than 500 piano frame castings a week and the company claims new standards of working conditions, productivity, and castings quality.

The variety of the castings has also been widened with the process. More complicated shapes are being made than hitherto could be cast.

Obstacle. One of the biggest obstacles to higher productivity and better working conditions in the foundry industry has been the dirty and noisy aspect of parts of the founding process.

The task of fettling—the cleaning of castings and removal of surplus metal—has long ranked among the most unpleasant of foundry tasks as well as being one of the most labour intensive.

Now, however, a new generation of automatic fettling machines under development look like revolutionising this aspect of foundry work. A combination of automatic fettling and individual finishing-off assisted by robot handling and dust control systems promises to make iron foundry a cleaner, quicker, and more certain process.

But control of air pollution and noise remains a problem in many iron foundries. It is something that has to be tackled vigorously if the industry is to continue to attract labour.

Roy Hodson

OFFERS OF GOVERNMENT AID

Offers of aid over £100,000 made under the Ferrous Foundry Industry Scheme, in the last quarter of 1978.

Table with columns: Company Name, Amount (£). Rows: C and B Smith Foundries, Dupont Foundries, Qualcast (Derby Foundries), GEC Diesels, Stone Plant Industry, John Hall and Son (Oldham), Davy Rolt Company, Ford Motor.

Source: Department of Industry

Non-ferrous sector still depressed

THERE IS precious little to lighten the gloom among non-ferrous foundries. A year that seemed as if it might start more hopefully than 1978 has so far proved more stagnant than seemed likely in the last quarter of the year, and there are no real signs of an appreciable improvement.

One of the few discernible trends—really a confirmation and intensification of a movement that started with the necessary weight slimming of the typical American sedan—is the growing use of light alloy castings, particularly aluminium, in road vehicles.

In the UK, this trend has still to reach high tide. Throughout the 1980s one can expect to see an increasing number of aluminium castings on cars and lighter trucks in the drive to save weight, improve fuel economy as well as for technical reasons.

But welcome though this trend may be, it is entailing some fairly major re-appraisals of foundry capacity and balance as between, for instance, spheroidal graphite (SG) iron and aluminium, and resulting in some quite dramatic switches in investment policies and techniques.

This is happening among major suppliers of cast components especially if they are sizeable exporters. All major vehicle producers also have their own foundries and if they, too, put down substantial aluminium capacity, as BL (British Leyland) is in fact doing, there is a danger of over capacity.

That has to be weighed against the demand trend which is largely dictating events for the independent foundries, and underlines the high importance of vehicle designers and suppliers of foundry products getting together at the earliest possible stage—something that has been lacking in the past.

The trend also marks an important new phase in the way in which legislation is increasingly going to determine both the technical and investment aspects of the foundry industries. For while aluminium components have a vital part to play in lightening vehicle weight and helping to improve fuel

economy, their thermal efficiency, as in inlet manifolds and cylinder heads is of at least equal importance.

Coupled with that is the improving accuracies of production processes which can eliminate, or at least minimise subsequent work of fettling, deburring and machining.

The other significant factor determining investment policy is, of course, the growing severity of health and safety regulations, which confront everyone with having to spend money on non-productive purposes to improve the working environment and thereby attract workers to what has traditionally been one of the dirty jobs.

Change

The speed with which the American vehicle industry is moving towards aluminium was well illustrated not so long ago by two orders worth together £4.5m for GKN Kent Alloys to supply alloy wheels for Ford and Chrysler in the U.S. It also speaks for the pressure on car makers to improve power-to-weight ratios and engine efficiencies to meet stringent new pollution legislation. Engine mountings, cylinder heads, brake drums and master cylinders, transmission covers, steering brackets and many other components are now being incorporated.

In the UK, the big move has been to aluminium cylinder heads and this can be expected to continue strongly with aluminium also coming in for inlet manifolds and other components affecting thermal efficiency.

Car makers can also be expected to follow the Continentals into the use of aluminium cylinder blocks, which many expect to take over from light weight iron as the 'eighties draw to a close. Aluminium has long been used in British-built cars, but in recent years it has been passed by European producers in France, Italy and Germany who have gone over to all-aluminium engines for popular small cars.

In Britain its use has largely

been confined to all-aluminium engines for top of the market cars like the Rolls-Royce, Jaguar and Rover. It has not yet been used to any significant extent in small engines, though the now-defunct re-ear-edged little Imp was an exception.

This is now changing, and to some degree is being pulled along by the need for fuel thrifty vehicles and by events in America. Although the usage in the average car was 114 lbs last year, an increase of no less than 141 lbs, momentum is still being gained and will increase when big new capacity being put down by General Motors and by the independents, comes into production.

This is an expanding market which leading UK foundry makers are keen to share on a permanent basis though this will almost inevitably mean establishing facilities in the U.S. Some quick decisions seem called for, for while the Americans are currently relying heavily on European expertise—and also some products—especially in automated gravity casting, it will be only for a limited period.

Having acquired the expertise and facilities, the Americans may then go on to develop pressure die-casting of bigger engines which production numbers would probably justify. The relative lack of high pressure die-casting in the UK has been due, as much as anything, to lower demand levels.

However, events are changing. The engine for the new Ford Erica, which should begin to issue from the Bridgend, Wales, plant in May, 1980, has an aluminium head and a light-weight iron block. For the future, aluminium blocks for some of the smaller horsepower engines looks a distinct possibility.

Big changes are also under way at BL Components, the supply arm of BL. The decision to build a £25m plant (with a capacity of 13,000 tonnes of aluminium components annually) at West Yorkshire Foundry at Leeds was bitterly attacked in the industry as putting down much more capacity than was needed—the effect of which would be to drive out

CONTINUED ON NEXT PAGE

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FOUNDRIES III

Pressure on steel castings industry

CASTING IS one of the oldest methods of turning steel into shapes. Some of the principles have been known for generations. Over these years, alternative production methods have occasionally lapsed; they still do.

But the inherent advantage of being able to produce the shortest, least energy-intensive, and in many ways the cheapest route towards the finished product, keeps steel casting a vital tool in the manufacturing infrastructure.

Along with neighbouring sectors, the steel foundry industry has been bruised by the post-oil rise crisis; the fact that this coincided with a Government-backed scheme to modernise the industry earned considerable criticism.

Within the foundries, the Government assistance is vigorously defended, although the inevitable increased capacity—at a time of falling order books—is openly admitted.

Critics today come with the benefit of hindsight, foundrymen add. How many in 1974 could foresee the radical and sweeping changes in the world economy that the energy crisis, and subsequent reactions would bring?

The ferrous foundries scheme has at least begun to change the face of the steel castings industry. Capacity may well be ahead of demand, but there have been considerable efficiency benefits, and competition in the order-hungry days of 1979 needs such efficiency and modern hardware.

In Britain, the steel castings industry produces around 250,000 tonnes of castings each year. These have an in-machined value of up to £250m. The industry provides jobs for some 20,000 people directly, on about 100 UK sites.

The parameters of the industry are wider than many, including some customers, imagine. Steel is, of course, one of the convenient portmanteau words, covering a bewildering range of often highly specialised and different metals.

This range, from common carbon steel to the highly sophisticated alloys is of considerable value not just for the spread of markets, but also for the "fine tuning" that it allows the metallurgist.

Most alloys, for instance, can be cast. In the broadest sense, if a steel can be melted, it can be cast. And casting offers considerable flexibility to production runs.

Processes are available which are suited to almost any quantity, from 2m off down to 1m off. Size is just as flexible. The British Steel Corporation's River Don foundry in Sheffield can produce some of the biggest and heaviest castings in Europe.

Following a £7m modernisation plan, and with the current introduction of a modern and sophisticated business plan for

the whole Don complex, the BSC plant is fighting hard to win new markets and backing this drive with intensive product development and research.

This plant also provides a fine example of the flexibility of the steel castings industry. They can produce a 10 tonne casting. They can also create a 300 tonne casting for the heavier end of modern technology—stone crushing machines, steam turbines, and hydraulic presses.

Diversity

The uses of castings extend far beyond the conventional heavy engineering machines. Certainly, mechanical engineering is a major customer, but so are other industries: vehicles, mining and mineral processing, iron and steel plant, power generation—the list is long and impressive.

Certainly markets have changed. Railways and shipbuilding, once major customers are now of much less importance, so the development of new customers is vital.

The castings industry is not yet winning this race, with levels of demand only around 66 per cent of levels measured in the 1960s.

Bearing in mind, however, the sweeping changes in both production and technology in the last decade, the steel foundries are proving both tenacious and resourceful in filling order books.

They insist that British steel founding technology is a match for any other in the world. The inherent values of their industry will more than justify, they say, the guarded optimism now being displayed.

The rapidly rising cost of energy will dictate increasing importance to the effective utilisation of materials. Producing a component, or part, from molten metal to a very close approximation of the finished product must make sense in such terms.

There is healthy evidence that, individually, and through the Steel Castings Research and Trade Association, the industry is making real and concerted efforts to increase process and quality control.

Non-destructive testing techniques are of the utmost importance. The North British steel group of West Lothian, Scotland, which produces steel castings up to 25 tonnes, claims that enormous sums of money can be saved by the correct application of NDT.

They cite the shutdown of a power station because of defective plant. The cost of this would be astronomical. Yet attention to detail in NDT could help eliminate the possibility of such a service failure.

Their own equipment includes a 2.25 MeV Van De Graff high energy x-ray, installed in specially constructed air-condi-

tioned building with remote control. This provides accurate radiography of steel up to ten inches thick.

On the face of it, the castings industry does not have a particularly vivid export record. Perhaps 10 per cent of the castings sold go abroad. The real figure, however, is much higher as indirect exports have to be taken very much into account.

A further 45 per cent of output is built in to products which are sold abroad. There is also evidence of considerable extra direct export potential—certainly enough to make industry officials talk in terms of doubling the current 10 per cent figure.

Such extra sales are not easy to pick up. In Europe, for instance, there is a lingering fear of the UK strike record. The fact that this is a generalisation, and usually an inaccurate one, is of no matter to the suspicious customer.

Some inroads have been made into the German market, however, and even the French, normally committed to supporting their own producers, are showing growing interest in the reliability and prices offered by British exporters.

SCRATA has its own market researcher, who has already covered much of Western Europe and Scandinavia. From his reports, smaller member companies can assess market opportunities without the expense and inconvenience of losing a senior executive for a lengthy period.

The pressures of the market place are not the only restraints which the steel foundry industry has had to face, and overcome, in the economic shake-ups of the seventies.

No-one who has worked for any length of time in a foundry shop would ever regard it as a clean and wholesome work-

place. It can be noisy, dirty and hot. So the progressively tighter legislation from the Government, and the parallel demands of many employees for better conditions have been growing.

It is to the credit of many steel foundries that they have not only coped with such demands, but often been able to anticipate them with new equipment and technology that does make the foundry a better place for workpeople.

Desirable as it may be, the industry is only too well aware that the substantial capital development involved does not produce more. It is, in terms of productivity, dead money. An inescapable tax on operating a foundry today.

But managers are also aware that labour is always a problem in the foundry. A happier work-force promises a chance of better industrial relations—and a better chance of recruitment.

Steel foundries appear to accept this burden of extra cost. Except when it comes to overseas competition, is it felt, they sometimes ask, that the foundry in, say, Korea, with no pollution control equipment, no protection for workers, no major safety at work expenditure should be allowed to undercut UK producers because of such savings?

At the moment, direct imports are low—perhaps one per cent of the UK market, thus maintaining a healthy and positive trade balance.

Nevertheless, there is a strong body of opinion in the industry that such competition could eventually come, and that the "safety subsidy" that UK legislation gives to less scrupulous competitors should be the subject of regular scrutiny.

Roger West



This Disamatic boxless moulding machine at the Lydney, Gloucestershire, foundry of Lydmet (a member of the Associated Engineering Group), is designed for the high volume production of small-shaped parts

Non-ferrous sector

CONTINUED FROM PREVIOUS PAGE

independent producers also currently engaged in modernising and expanding capacity. It took some time before BL could convince the Department of Industry, and then its 20 aluminium suppliers that what it was planning was to take up the programmed growth in BL demand, not to take any away from existing suppliers.

BL envisages a modest increase in volume from the car factories, plus new engines, using more aluminium, as the new series "Q" engines will demonstrate.

The "Q" engine output, incidentally, is planned to increase from a current 2,500 a week to 6,000 in two years time.

Over the next five years the demand for cast iron blocks and heads is expected to remain static, and may even go down. In the re-organisation process BL is closing the Coventry Engines foundry leaving it with four others.

The row that went on over this, and is still rumbling round the industry, conveniently—for Ford—shouted down its own programme over the Erica. Independent foundries have also to

Ford will be placing around 40 per cent of its requirements for aluminium heads for the Erica with Flat.

The question of why UK independent foundries lost out in this way has not been fully answered. But it is easy to see why their fears of over-capacity were provoked. According to the Light Metal Founders' Association, which accounts for perhaps 80 per cent of total output, production dropped from 82,000 tonnes in 1976 to 80,000 in 1977, and to only 77,000 tonnes last year.

Elsewhere in the non-ferrous

foundries there has been a mixed bag of experience, with those supplying the building renovation, central heating and valves markets doing better than most—and on a more even keel.

Much has depended on having up-to-date plant, expanding export markets—the Middle and Far East have been good territories—and on management drive. But most of the action, and the anguish, has come from the aluminium sector, over which there still bangs some question marks.

Peter Cartwright

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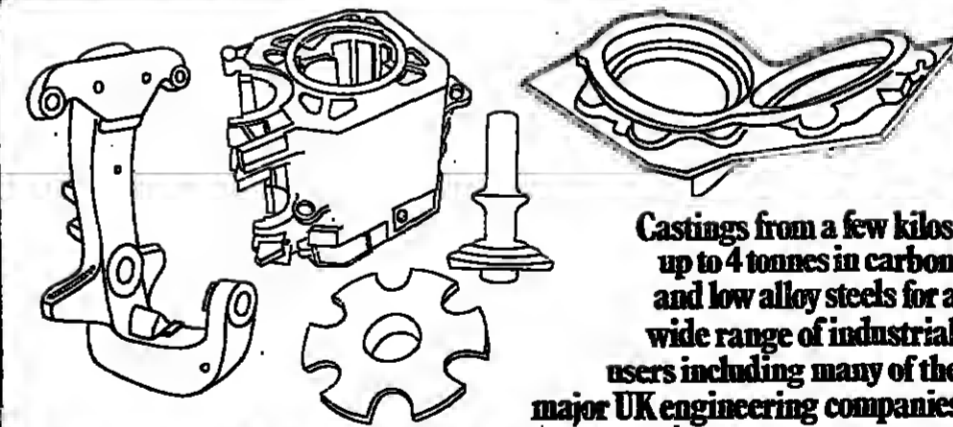
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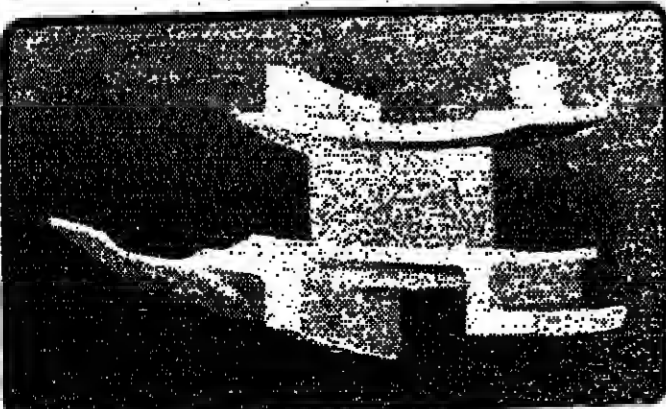


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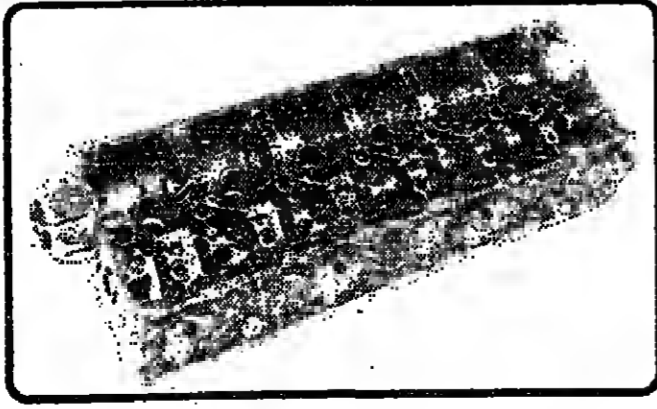
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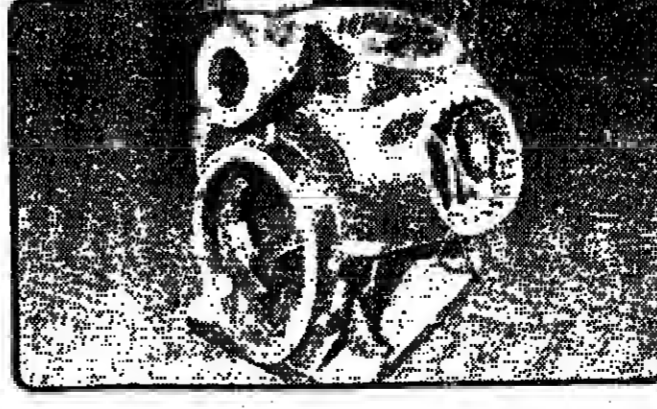
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IN THEORY, the road ahead for the mainstream steel foundry industry is delightfully simple. It must capitalise on an initial, and valuable asset, and then work downstream through the process, refining, improving and perfecting.

In practice, however, it is by no means straightforward as that. Certainly that initial asset, the ability to take scrap and convert it into molten steel, usually by electric arc furnace, but occasionally by induction furnace, is the basis of industry production.

Immediately, variables begin to appear. Can we assume a guaranteed supply of suitable scrap, at a price the foundries are prepared to pay?

Despite a recent rash of price increases (which have brought howls of protest from the founders), Dr. Jeffrey Reynolds, director of the Steel Castings Research and Trade Association, thinks so. Scrap, he suggests, will always be available at a price.

That price will still be a relatively low price compared with the cost of other forms of conversion which are so much more greedy for energy. Even if the price goes up, above levels now considered to be at a peak, scrap still represents only about 10 per cent of the value of the finished casting.

"What we have to do, to secure what should be a very bright future for the industry in the long term, is to take that basic asset and convert it into the required shape—with the minimum number of man hours, at guaranteed and consistent levels of productivity," adds Dr. Reynolds.

"This will have to be done without causing any harm to the environment, the worker in the foundry, or to the atmosphere outside," he says.

So research and development in the industry is not simply a quest for increased productivity, important as this is in such a competitive market, where customers may well be able to turn to rival techniques and technology.

In the carbon steel field, for instance, where the major part of the tonnage is delivered, labour costs amount to half the total cost. Here, even a small improvement in productivity could mean substantial savings, and could mean the difference between a foundry survivor.

and making a profit and going out of business.

Productivity, in fact, is one of three main development targets set by the industry. Health and safety, also encompassing the environment, and consistency of quality are also given ratings of high importance.

Assurance

Dr. Reynolds explains: "Design requirements are escalating. Society is requiring a greater degree of assurance that components for, say, nuclear power stations will not fail."

In terms of quality, the easiest part is controlling the molten steel in the furnace. It is what happens afterwards that can present difficulties.

This clean metallurgical cast metal then has to be poured into moulds, with no reaction between the two. Ensuring, for instance, that the method of pouring the molten metal into the mould is perfect; that the casting is free from such problems as shrinkage, and other defects. In other words, absolute supervision of the process from start to finish.

Much of the process is still very much a craft. Any development that can ensure a lessening of the human element, and still achieve quality, is important. This is no ordinary raw material; we are talking about something 300 degrees C hotter than cast iron.

Although metallurgical specifications are not always as tight as for iron, steel casting throws up problems of its own, particularly shrinkage, as opposed to the expansion difficulties of iron.

Dr. Reynolds argues that the three priorities, environment, quality and productivity all point in the same direction: increased mechanisation.

Increased mechanisation and more advanced technology bring the inevitable problem of greater costs. Already, the industry has felt—and sharply—the cost of environmental and health protection.

This field alone is now thought to represent 10 per cent of the cost of a casting. A major part of recent investment has, in fact, come in this field, although such investment is largely non-productive. "It is undoubtedly an extra burden, but if we want people

to continue to work in the industry then it is a burden we must bear," he says.

It must be recognised, however, that we can't solve all the health and safety problems in the industry by simply going out and investing. Some of the technology we would need has not even been invented yet.

Nevertheless, investment will cure many of the problems that, until recently, arose from the melting of the steel. Now, problems lie in places such as the fettling shop. Ironically, perhaps, this is also the area where industry productivity is at its lowest.

To eliminate the need to grade and dress the castings so much, or provide the work force with the equipment to reduce their exposure to health hazards, and this will enable them to work much more safely and more efficiently.

Given that steel melting technology is good, much can still be done to eliminate faults, and the need for later corrective work in stages well before the fettling shop. The material of which the moulds are made, for instance, and which offers economy when purchased in bulk, may not turn out to be the cheapest in the end.

Experiments are investigating the possibility of applying very high quality refractory coatings to moulds in order to obtain a

much better product—one that requires a lot less after-work. This route holds so much promise that, by the late 1980s, changes still only barely visualised could transform the traditional image of the steel casting.

Indeed, the ultimate would be a system as efficient, in all senses of the word, as pressure die casting now is for aluminium. In other words, a technology giving a consistent product, very high quality with extensive automation.

For small steel castings, that kind of technology is already on the horizon—admittedly at a rather high cost at the moment. But with every prospect of rising energy costs, and the wasteful nature of rough machining, the alternative manufacturing route, a much more favourable economic light could be dawning.

For larger castings—perhaps 3 tonnes upwards—it is far more difficult to see radically different technology ahead. But remembering that this is a bespoke market (often "one-off" in the true sense of the word), perhaps such developments are far less necessary.

Powder metal has been hailed as another process which could eventually take a large slice of the castings market. But these claims were first made a long time ago, and industry is still

waiting for the really big breakthrough.

Whether you use powder metal or casting, high quality, high fatigue components have to start with the molten metal. If you can proceed from that to a near-complete object, without a welter of intermediate processes, it obviously still makes sense to cast.

In one major field, casting co-exists comfortably with a major rival—forging. In the field of steelworks rolls, fierce competition between the two manufacturing methods has now lessened, with each staking a claim to the appropriate chunk of the market.

One exciting development here has been the use of vertical centrifugal casting to produce duplex iron rolls. These have a very hard, and wear resistant shell on the working part of the roll, with a softer and therefore tougher core, and journals, to avoid the risk of breakage.

Midland Rollmakers, at Crewe, have helped pioneer this important new route in roll manufacture, and spio-off technology could well be of the greatest importance in other casting fields. Apart from the obvious attractions to the customer, the process means the manufacturer only need use an exact amount of expensive shell metal, thus avoiding virtually all wastage.

So, developments in steel casting are continuing, quietly and efficiently. But Dr. Reynolds, as the man leading this work, is always aware of budget restraints. Given the prospect of tougher trade competition, there has been a temptation, he feels, to overlook basic industries like casting, and put public money into the newer technologies.

Although some support is forthcoming for castings research and development from the Department of Industry, the majority of the cost so far has been met by the industry itself.

"My own argument is, simply, that this industry is, intrinsically, worth far more than it is. We get about £250,000 a year from public funds. I could easily justify another £1m on top of that. We have the ideas, the programmes and the facilities. We want to make everything go faster, for I feel we are running short of time."

"We are entering the 80s, and I feel the work I want to do should have been started in the 60s. At one time, Britain had the best research and development base in the world."

"In many ways, we failed to take advantage of this, and we are in danger of being overtaken by some of our competitors."

Roger West

Aggressive marketing more vital than ever

THE OCCASIONAL cheerful response of marketing directors to inquiries about prospects overseas is apt to be drowned in the larger chorus of dismal Jimmies. Foundries, both light alloy and steel, are coming under increasing pressures, graphically shown in the upturn in the number going out of business. Aggressive marketing of quality components by efficient managements is clearly going to be more than ever necessary for survival.

What is interesting about a random sampling of companies is that some of the biggest, whose track records are exemplary, are among those most down in the mouth. On the other hand some of the most cheerful, bullishly talking of putting down more capacity and doubling direct exports to 20 and 30 per cent, are medium to small foundries.

Diligent perusal of statistics provides few satisfactory clues for these apparent anomalies. Indeed, apart from some dealing with steel castings, they are difficult or impossible to come by either on a national or European basis.

One of the problems, especially for non-ferrous castings, is that of nomenclature. Castings may find their way into vehicle component exports, for instance; is it a casting or an axle, brake drum or whatever?

Next in importance is Spain, which also illustrates the way in which the vehicle industry determines markets. From minuscule beginnings in 1974, Spain has been growing at the rate of more than 150 per cent a year to overtake Germany. The key to this is the siting by Ford of a Fiesta plant there, engine castings for which are supplied by Ford foundries at Dagenham and Leamington Spa. Though a direct export, this is, of course an "in house" arrangement from which independent foundries benefit only marginally.

In the opposite direction, Ford brings in Capris, Grandas and some Cortinas from Germany, while Vauxhall (General Motors) brings in Cavalier 1900s and 2000s, Carlton and Royale, all with indigenous castings. Though part of the Government's financial help to Chrysler was that the UK content of the Alpine (which originated at the French plant) should rise to more than half, the future direction of the company is now in the hands of Peugeot-Citroen, with all that presages for supply procurement. With shipbuilding only a shadow of its former self, the agricultural and construction industries more or less marking time, it is small wonder that for large sections of the foundry industries the expansion of the early seventies is giving way to contraction. Last year's deliveries of steel castings were the lowest in memory at 196,000 tonnes.

What vigorous and largely successful efforts have been made by foundries to counter this loss of business by developing direct exports to North America, Europe and elsewhere, there is just too way British castings are going to hold their way into Japanese cars, which take such a considerable proportion of the UK market.

What makes it doubly difficult to sell castings to customers hundreds of miles away across the sea is, first of all, security of deliveries. This may seem curious since British manufacturers have good abroad for some supplies.

But in its different way it underlines the lack of confidence in the security of supplies from this country because of industrial action, even though foundries have a pretty good record. Nor is a foundry able to offer to a retailer an end product such as a fuel or sensor or shovel. What basically he offers is capacity, expertise, quality and delivery, and if he happens to be in the motor industry—which accounts for nearly 60 per cent of light alloy output, and getting on for half the total steel output—then he wants to be sitting across the table when the vehicle manufacturer is drawing up schedules for a new model, because original equipment with the after-market follow up in spares is the most influential in attracting future business.

As it is, he may lament that though he has put in the lowest tender for a job in Germany it has been awarded to a German foundry. The UK is still the free-market market in Europe, too lacking in chauvinism to say anything.

A lot of the awkward facts of life is that while it is possible to put a representative on the road in this country for around £8,000, it costs some-

thing like twice as much on the Continent. Furthermore, if a manager wants to fly out to meet him or a customer he pays full air fare, unlike the lucky holidaymaker.

In the face of so many difficulties it is all the more notorious that British foundries directly export five or six times more than is directly imported, a sizeable balance in their favour. Some 10 per cent of iron and steel castings produced are sent overseas and around 7-8 per cent of non-ferrous castings against 1-2 per cent of direct imports.

By far the largest market is the U.S., where the harsh imposition of stringent environmental controls a few years ago put many foundries out of action and opened up opportunities for British foundries.

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Not all is gloom and despondency. The machine tool industry is beginning to pick up, with a welcome resurgence of orders from America as the car industry there teels up for the smaller cars fuel scarcity is forcing on the public.

Some specialised foundries are doing a good business to providing the heavy beds for lathes and other machines.

"Our exports account for around ten per cent of production at the moment, but we have sufficient orders in the pipeline to increase it to over 20 per cent," one marketing director said, adding that his programme was 30 per cent exports by 1981. Some £2m is being spent on modernising and expanding capacity, and it has just appointed its third agent in the U.S.

An aluminium diecaster is doing 8 per cent exports, mainly to Germany for the vehicle industry and is planning to get more. Another company (employing 50) making spares for shot-blast equipment, is doing a record 13 per cent exports and hopes to push it up to 20 per cent through agents in Holland.

But whether successful or not, the ferrous foundry industry as a whole has had to try to absorb some hefty price rises in some of its principal costs, and faces still more.

Coke prices will go still higher to absorb the projected miners' pay settlement, while foundry workers are also waiting in the wings. Rates are bound to go up, as are oil and electricity prices. That the list may be a familiar one makes it no easier to swallow, or to plan a wide-ranging export market programme when the home market looks so weak in key sectors.

It is small wonder that the well-to-do Government aid schemes for the foundry industries are beginning to seem to many to be over-indulgent and that would-be recipients are having second thoughts.

So, what happens to exporting over the coming months will depend more than ordinarily upon the enthusiasm and drive of newcomers and of those with technically exciting products to provide any cream.

Peter Cartwright

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Companies and Markets

Imps accused of egg market 'carve-up'

BY CHRISTOPHER PARKES

THE IMPERIAL Tobacco group has been accused of 'carving up' the retail egg market. Its price-cutting tactics in small retail outlets have helped to push many smaller-scale producers into "dire financial trouble," according to Mr. David Lewis, a prominent independent poultry farmer and immediate past-president of the National Egg Producer-Retailers Association.

Speculative selling hits copper

By John Edwards

Heavy speculative selling brought a sharp downturn in the copper market on the London Metal Exchange yesterday. Cash wirebars lost £21 to £988.5 a tonne. The decline was triggered off in the New York market overnight and caught London traders in an uncertain mood.

Bergland raises Sugar Bill hopes

BY JOHN EDWARDS, COMMODITIES EDITOR

WORLD SUGAR values rallied on the London terminal market yesterday following a prediction by Mr. Bob Bergland, U.S. Secretary of Agriculture, that the House of Representatives was likely to pass the controversial Sugar Bill.

World grain crop forecast trimmed

ROME — The UN Food and Agriculture Organisation (FAO) has trimmed its forecast for 1979 grain production to 1.14bn tonnes, 3m tonnes below its late March estimate.

Changing the face of tin marketing

BY PHILIP BOWRING, RECENTLY IN KUALA LUMPUR

THE MOVE by the Malaysian Mining Corporation six months ago to bypass the Penang market and sell direct to consumers has contributed towards the firmness in world tin prices.

Potato futures market plan

BY OUR COMMODITIES STAFF

THE INTRODUCTION of a London potato futures market next spring, in time to handle the 1980 crop, is now confidently expected. This follows unanimous recommendations by a special committee, drawn from all sections of the trade, that the project should go ahead.

At present it is believed that the market is most likely to be housed in the Baltic Exchange. Costs there are believed to be considerably less than at the "soft" commodity markets centre in Mark Lane, and many potato traders may find it more convenient to be close to the existing grain futures market on the Baltic.

U.S. prepares to lift ban on Ugandan coffee

BY RICHARD MOONEY

UGANDAN COFFEE could be flowing into the U.S. again before long. The State foreign relations committee has approved a measure to lift the trade embargo imposed last year in protest at the inhumanity of the Amin regime.

A Ugandan Coffee Board spokesman said in London yesterday that no date had been set for the lifting of the former embargo imposed a month ago because of the fighting.

Under present arrangements between MMC and the producing companies, according to the Board, the price of tin on the basis of the Penang price is reduced by the physical supply to the Penang market at a time when there was a shortage of tin.

BRITISH COMMODITY MARKETS

Table with columns for various commodities like Copper, Zinc, Lead, Tin, Nickel, Wheat, Barley, and Silver, showing prices and changes.

AMERICAN MARKETS

Table with columns for various commodities like Soyabean Meal, Sugar, and Grains, showing prices and changes.

PRICE CHANGES

Table showing price changes for various commodities in tonnes unless otherwise stated.

INSURANCE BASE RATES. Property Growth 111%. Vanbrugh Guaranteed 10.12%. Address shown under Insurance and Property Hand Table.

INSURANCE BASE RATES. Property Growth 111%. Vanbrugh Guaranteed 10.12%. Address shown under Insurance and Property Hand Table.

Tuesday's closing prices. NEW YORK, May 1. Cotton No. 2: 51.80, 52.00, 52.00. Sugar: 24.00, 24.00, 24.00.

Trading Profits £20,584! Profits realised in the first four months of 1979 have exceeded total profits for 1978. This is the success record of the Commodity Trading Recommendations (CTR) service produced by our associate company, Charis Analysis Ltd.

SILVER. Silver was bid 7.05p an ounce below spot delivery in the London bullion market yesterday at 381.35p. US cent equivalents of the fixing were: spot 785.50, down 12.50c; one-month 808.1c, down 12.50c; six-month 852.50, down 11.75c.

EUROPEAN MARKETS. ROTTERDAM, May 2. U.S. No. 2 Hard Winter wheat 13.5 per cent, quoted. U.S. Hard Winter wheat ordinary June 1979, 51.54, Aug. 51.54, Sept. 51.54, U.S. No. 2 Red Winter wheat May 1979, 51.54, Aug. 51.54, Sept. 51.54.

LONDON STOCK EXCHANGE

Election confidence returns after Tuesday's shake-out
30-share index regains 7.8 to 544.8—Gilts also recover

Account Dealing Dates
Opinion
First Declared Last Account
Dealing Dates May 3 May 15
May 23 May 31 May 18 May 29
May 21 May 31 June 1 June 12

maintain level books, where possible, ahead of the final opinion polls and the election itself. Business was therefore restricted to a degree, but leading shares furthered the earlier upturn in an extremely quiet afternoon session and, in index terms, finally regained more than half the previous day's sharp losses.

Reflecting the absence of the poll which had been rumoured late on Tuesday to find even more favourably for Labour, leading equities opened higher and the FT 30-share index was 3.3 up at the first calculation, 5.3 after an hour later and in the after-hours trade extended the recovery to 7.8 at 544.8. Official markings at 7.116, were slightly up on the previous day's 7.037.

Among Engineering leaders, John Brown, at 571p, retrieved 10 of the previous day's fall of 18 and GKN picked up 2 to 295p, the latter following the annual report. Elsewhere, Edgar Allen Baird rose to 50p before closing 2 off at 55p on the overall loss last year and the absence of a final dividend.

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FT Actuaries

The use of an incorrect price for one of the constituent stocks led to errors yesterday in the British Government Over 15 years and All Stocks indices. These should have been shown at 124.47, down 0.33, and 118.74, down 0.31, respectively.

The result that the premium rallied from 88 1/2 per cent to close a net 1 1/2 points higher at 60 1/2 per cent. Business throughout was mixed and the All Stocks index was 1.221 and last week's daily average of 1.608.

Nat. & Comm. down

National and Commercial closed 1/2 down at 102p, after 99p, following first-half profits which fell 27m short of market expectations. Barclays, however, retrieved 1/2 to 800p, while Lloyds rallied 1 1/2 to 345p as did also Midland to 445p and NatWest to 385p. Overseas issues made progress with ANZ 15 better at 300p.

OPTIONS

DEALING DATES
First Last For Deal- Decla- Settle-
ings ing ion ment
Apr. 18 Apr. 30 12 Jul. 24
May 1 May 14 Jul. 26 Aug. 7
May 15 May 29 Aug. 9 Aug. 21

LONDON TRADED OPTIONS
Table with columns: Option, Ex. price, Closing offer, Vol., Closing offer, Vol., Closing offer, Vol., Equity close. Includes sub-tables for July, Oct., Jan., May, August, November.

FINANCIAL TIMES STOCK INDICES

Table with columns: Index, May 2, May 3, April 26, April 27, April 28, April 29, April 30, 1 year ago. Includes Government Secs, Fixed Interest, Industrial, Gold Mines, etc.

HIGHS AND LOWS S.E. ACTIVITY

Table with columns: High, Low, Since Completion, High, Low, May 2, May 3. Includes Govt. Secs, Fixed Int., Ind. Ord., Gold Mines, etc.

"Amgold" harder at 181 1/2 in front of the chairman's statement which is expected today. Middle Wits rose 5 to a 1979 high of 270p.

ACTIVE STOCKS

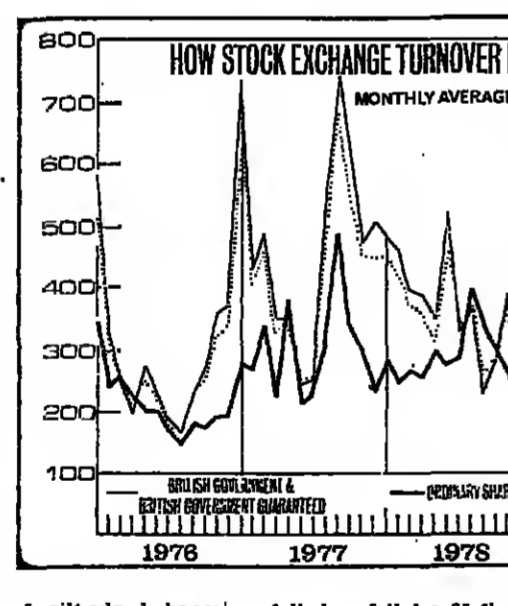
Table with columns: Stock, Denomina- No. Closing Change 1979 1978. Includes Shell Transport, BP, ICI, etc.

STOCK EXCHANGE BUSINESS LAST MONTH

Equity turnover fails to keep pace with March boom

BY GEOFFREY FOSTER

TURNOVER of £3.2bn in the equity market in April fell well below March's £3.74bn, which was the highest on record.



The fall in business, just over 40 per cent in money terms, partly reflected three fewer trading days in April than in March. The Financial Times turnover index for ordinary shares receded to 337.7 in April compared with the 697.3 recorded in March but was still substantially above the 1978 average of 255.7.

Of gilt-edged bargains fell by 21,761 to 83,601, with a 12,750 fall to 40,813 taking place in longer-dated issues. Bargains in the shorts fell by 9,011 to 22,733.

Table with columns: Category, Value of all purchases and sales, % of total, Number of bargains, % of total, Average price per share, Average value per bargain, Average no. of bargains per day. Includes British Govt. and British Govt. Guaranteed, Irish Government, UK local authority, etc.

NEW HIGHS AND LOWS FOR 1979

Table listing new highs and lows for 1979 across various sectors like Chemicals, Electricals, Foodstuffs, Insurance, etc.

RISES AND FALLS YESTERDAY

Table showing rises and falls in various sectors like Chemicals, Electricals, Foodstuffs, Insurance, etc.

RECENT ISSUES

Table listing recent issues with columns: Issue, Amount, Date, High, Low, Stock, etc.

FIXED INTEREST STOCKS

Table listing fixed interest stocks with columns: Issue, Amount, Date, High, Low, Stock, etc.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS

Table with columns: Index No., Day's Change, Est. Earnings Yield, Gross Div. Yield, etc.

FIXED INTEREST PRICE INDICES

Table with columns: British Government, 1-5 year, 5-15 year, 15-25 year, etc.

"RIGHTS" OFFERS

Table listing rights offers with columns: Issue, Amount, Date, High, Low, Stock, etc.

Redemption yield. High and low record, base dates and values end constituent changes are published in Cannon Street, London, EC4P 4BY, price 13p, by post 22p.

AUTHORIZED UNIT TRUSTS

Table listing various authorized unit trusts with columns for fund name, manager, and performance metrics.

Table listing various fund managers and their associated funds, including details like fund name and manager information.

Table listing various fund managers and their associated funds, including details like fund name and manager information.

OFFSHORE AND OVERSEAS FUNDS

Table listing various offshore and overseas funds with columns for fund name, manager, and performance metrics.

INSURANCE AND PROPERTY BONDS

Table listing various insurance and property bond companies and their products, including details like company name and product type.

Notes and disclaimers regarding the data presented in the tables, including information about data sources and accuracy.

IOC
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for industry and commerce
IOC Limited Stratford upon Avon CV37 9JN

FT SHARE INFORMATION SERVICE

BONDS & RAILS—Cont.

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	London 1981	103.50	-0.5	—	—
104.00	103.00	London 1982	103.50	-0.5	—	—
104.00	103.00	London 1983	103.50	-0.5	—	—
104.00	103.00	London 1984	103.50	-0.5	—	—
104.00	103.00	London 1985	103.50	-0.5	—	—

BANKS & HP—Continued

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Bank of America	103.50	-0.5	—	—
104.00	103.00	Bank of England	103.50	-0.5	—	—
104.00	103.00	Bank of Ireland	103.50	-0.5	—	—
104.00	103.00	Bank of Scotland	103.50	-0.5	—	—
104.00	103.00	Bank of Wales	103.50	-0.5	—	—

CHEMICALS, PLASTICS—Cont.

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	ICI	103.50	-0.5	—	—
104.00	103.00	Imperial Chemical	103.50	-0.5	—	—
104.00	103.00	Shell Chemical	103.50	-0.5	—	—
104.00	103.00	British Petroleum	103.50	-0.5	—	—
104.00	103.00	Esso	103.50	-0.5	—	—

ENGINEERING—Continued

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	British Leyland	103.50	-0.5	—	—
104.00	103.00	British Aerospace	103.50	-0.5	—	—
104.00	103.00	British Shipbuilders	103.50	-0.5	—	—
104.00	103.00	British Steel	103.50	-0.5	—	—
104.00	103.00	British Telecom	103.50	-0.5	—	—

BRITISH FUNDS

Shorts (Lives up to Five Years)

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	British Funds	103.50	-0.5	—	—
104.00	103.00	British Funds	103.50	-0.5	—	—
104.00	103.00	British Funds	103.50	-0.5	—	—

AMERICANS

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	American Express	103.50	-0.5	—	—
104.00	103.00	American Express	103.50	-0.5	—	—
104.00	103.00	American Express	103.50	-0.5	—	—

BEERS, WINES AND SPIRITS

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Guinness	103.50	-0.5	—	—
104.00	103.00	Guinness	103.50	-0.5	—	—
104.00	103.00	Guinness	103.50	-0.5	—	—

DRAPERY AND STORES

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Debenhams	103.50	-0.5	—	—
104.00	103.00	Debenhams	103.50	-0.5	—	—
104.00	103.00	Debenhams	103.50	-0.5	—	—

HOTELS AND CATERERS

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Hotel Services	103.50	-0.5	—	—
104.00	103.00	Hotel Services	103.50	-0.5	—	—
104.00	103.00	Hotel Services	103.50	-0.5	—	—

FOOD, GROCERIES—Cont.

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Asda	103.50	-0.5	—	—
104.00	103.00	Asda	103.50	-0.5	—	—
104.00	103.00	Asda	103.50	-0.5	—	—

INDUSTRIALS (Misc.)

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Industrial	103.50	-0.5	—	—
104.00	103.00	Industrial	103.50	-0.5	—	—
104.00	103.00	Industrial	103.50	-0.5	—	—

Five to Fifteen Years

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Five to Fifteen	103.50	-0.5	—	—
104.00	103.00	Five to Fifteen	103.50	-0.5	—	—
104.00	103.00	Five to Fifteen	103.50	-0.5	—	—

Over Fifteen Years

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Over Fifteen	103.50	-0.5	—	—
104.00	103.00	Over Fifteen	103.50	-0.5	—	—
104.00	103.00	Over Fifteen	103.50	-0.5	—	—

Undated

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Undated	103.50	-0.5	—	—
104.00	103.00	Undated	103.50	-0.5	—	—
104.00	103.00	Undated	103.50	-0.5	—	—

INTERNATIONAL BANK

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	International Bank	103.50	-0.5	—	—
104.00	103.00	International Bank	103.50	-0.5	—	—
104.00	103.00	International Bank	103.50	-0.5	—	—

CORPORATION LOANS

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Corporation Loans	103.50	-0.5	—	—
104.00	103.00	Corporation Loans	103.50	-0.5	—	—
104.00	103.00	Corporation Loans	103.50	-0.5	—	—

COMMONWEALTH & AFRICAN LOANS

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Commonwealth & African	103.50	-0.5	—	—
104.00	103.00	Commonwealth & African	103.50	-0.5	—	—
104.00	103.00	Commonwealth & African	103.50	-0.5	—	—

Public Bond and Ind.

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Public Bond and Ind.	103.50	-0.5	—	—
104.00	103.00	Public Bond and Ind.	103.50	-0.5	—	—
104.00	103.00	Public Bond and Ind.	103.50	-0.5	—	—

FINANCIAL

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Financial	103.50	-0.5	—	—
104.00	103.00	Financial	103.50	-0.5	—	—
104.00	103.00	Financial	103.50	-0.5	—	—

FOREIGN BONDS & RAILS

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Foreign Bonds & Rails	103.50	-0.5	—	—
104.00	103.00	Foreign Bonds & Rails	103.50	-0.5	—	—
104.00	103.00	Foreign Bonds & Rails	103.50	-0.5	—	—

CANADIANS

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Canadian	103.50	-0.5	—	—
104.00	103.00	Canadian	103.50	-0.5	—	—
104.00	103.00	Canadian	103.50	-0.5	—	—

BANKS AND HIRE PURCHASE

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Banks and Hire Purchase	103.50	-0.5	—	—
104.00	103.00	Banks and Hire Purchase	103.50	-0.5	—	—
104.00	103.00	Banks and Hire Purchase	103.50	-0.5	—	—

BUILDING INDUSTRY, TIMBER AND WOODS

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Building Industry	103.50	-0.5	—	—
104.00	103.00	Building Industry	103.50	-0.5	—	—
104.00	103.00	Building Industry	103.50	-0.5	—	—

ELECTRICAL AND RADIO

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Electrical and Radio	103.50	-0.5	—	—
104.00	103.00	Electrical and Radio	103.50	-0.5	—	—
104.00	103.00	Electrical and Radio	103.50	-0.5	—	—

CHEMICALS, PLASTICS

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Chemicals, Plastics	103.50	-0.5	—	—
104.00	103.00	Chemicals, Plastics	103.50	-0.5	—	—
104.00	103.00	Chemicals, Plastics	103.50	-0.5	—	—

FOOD, GROCERIES, ETC.

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Food, Groceries, Etc.	103.50	-0.5	—	—
104.00	103.00	Food, Groceries, Etc.	103.50	-0.5	—	—
104.00	103.00	Food, Groceries, Etc.	103.50	-0.5	—	—

ENGINEERING MACHINE TOOLS

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Engineering Machine Tools	103.50	-0.5	—	—
104.00	103.00	Engineering Machine Tools	103.50	-0.5	—	—
104.00	103.00	Engineering Machine Tools	103.50	-0.5	—	—

FINANCIAL TIMES

1979 High	Low	Stock	Price	%	Div	Yield
104.00	103.00	Financial Times	103.50	-0.5	—	—
104.00	103.00	Financial Times	103.50	-0.5	—	—
104.00	103.00	Financial Times	103.50	-0.5	—	—

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INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, ICI, and various engineering firms, with columns for stock price, dividends, and other financial metrics.

INSURANCE—Continued

Table of insurance companies such as Royal Indemnity, Commercial Union Assurance, and others, listing their stock prices and financial data.

PROPERTY—Continued

Table of property-related companies and trusts, including various real estate investment trusts and property management firms.

INVESTMENT TRUSTS—Cont.

Table of investment trusts such as British American Investment Trust, Overseas Investment Trust, and others, detailing their assets and performance.

FINANCE, LAND—Continued

Table of finance and land-related companies, including banks, insurance companies, and land investment trusts.

WAKO SECURITIES CO., LTD. Tokyo, Japan. London Branch Office. 15th Floor, Lee House, London Wall, London EC2Y 5AS.

MINES—Continued

Table of mining companies including Anglo American, De Beers, and various metal mines, with columns for stock price and dividends.

OVERSEAS TRADERS

Table of overseas trading companies such as Anglo Siam, Anglo Dutch, and others, listing their stock prices.

TEAS

Table of tea companies including Anglo Indian Tea, Anglo Dutch Tea, and others, with stock price and dividend information.

INDIA AND BANGLADESH

Table of companies from India and Bangladesh, including various trading and service firms.

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Table of mining companies, including various metal and coal mines, with financial details.

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Table of companies from the Central African region, including various industrial and service firms.

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Table of companies from the Eastern Rand region, including various industrial and service firms.

FAR WEST RAND

Table of companies from the Far West Rand region, including various industrial and service firms.

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Postal workers vote to reject offer

BY PHILIP BASSETT AND NICK GARNETT

POSTAL WORKERS have overwhelmingly rejected by ballot a pay and productivity offer worth 12 per cent in a decision which could prove embarrassing for the new Government.

A quick settlement for 190,000 members of the Union of Post Office workers could be delayed, too, by an offer to all Post Office telecommunications workers of 9 per cent with further rises of up to 9.5 per cent for some grades.

The UPW members have rejected the 12 per cent offer by about five to one. A settlement for this group is four months overdue.

Further negotiations, which are almost certain to be affected by the stance on pay adopted by the new Government, will now take place.

The offer, which was supported by the union's executive, was framed to keep roughly within the Government's ad hoc wage guidelines and included productivity elements which have worried the postmen and contributed to the rejection.

These elements included an expansion of the use of non-UPW casual labour over Christmas and possibly through the summer, greater use of special part-time working by union members to cover staff shortages and a more efficient system for measuring work.

The Post Office pay offer to six unions representing about 200,000 telecommunications grades is designed to achieve a major grade restructuring and bring all the grades to a common pay date.

The offer gives all grades an increase of 9 per cent from their present settlement date. Those groups whose present date is April 1, including clerical computer staff and telecom-

U.S. oil companies accused of breaking price regulations

BY DAVID LASCELLES IN NEW YORK

SEVEN of the largest U.S. oil companies were accused by the Department of Energy yesterday of violating Federal oil price regulations. The amount involved is \$1.7bn (£825m). If the Department wins its case, the companies would have to refund this money.

The charges are by far the largest the Department has yet made in its two-year campaign on oil pricing irregularities. They are certain to raise a storm in the oil industry which has already complained bitterly that it is being hounded by the Federal agencies.

There was no immediate reaction from the oil companies, most of which said they had not yet seen the charges. However, it was widely expected that they would contest them with some vigour.

The companies, and the extent of their alleged overcharging, are: Texaco, \$888.3m; Standard Oil of Ohio, the British Petroleum subsidiary, \$1.7m; Standard Oil of California (Chevron), \$101.6m; Standard Oil of Indiana (AMOCO), \$24.1m; Marathon \$23.1m; Gulf \$27.5m; and Atlantic Richfield, \$42m.

The charges cover the period from August 1973, shortly after oil price regulation began, to last month, and the sums mentioned include interest on the alleged overcharging.

According to Mr. Paul Bloom, the department's counsel who has drawn up the charges, they result from an extensive audit of the oil companies' compliance with pricing regulations.

He alleged that the companies had redefined some of their oil properties so as to benefit from higher price ceilings allowed on certain types of oil.

One charge is that the companies ascribed production to new wells, commanding higher prices, when in fact came from old wells subject to lower price ceilings. Another contends that companies exaggerated production from "stripper" wells (defined as wells producing less than 10 barrels a day), which are not subject to price control.

Any money recovered by the department as a result of these charges would be distributed to people and companies as well as low-income groups which are adjudged to have been the victims of overcharging.

The oil companies have 40 days to object to the charges, which will be reviewed by the department's Office of Hearings and Appeals.

THE LEX COLUMN

P & O keeps its dividend afloat

Lord Incheape, P & O's chairman and chief executive, finally broke cover yesterday. Against the background announcement of better than expected profits and a maintained dividend, Lord Incheape revealed, for the first time, how Britain's biggest shipping company plans to deal with its serious financial and commercial problems.

After months of rumours and the abrupt resignation of the respected former chief executive, the disclosure is welcome. The immediate reaction of the stock market was to mark the share 2 1/2p higher to 57 1/2p—where they yield an uncovered 11 per cent.

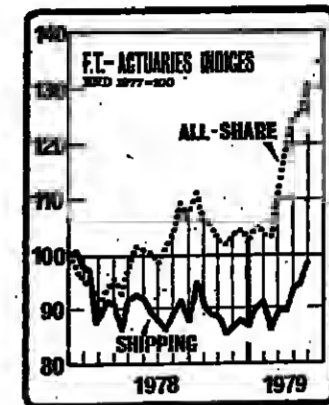
At the pre-tax level P & O's profits fell from £39.1m to £15m (excluding ship sales). Below the lion's picture was not so rosy. There were £7.5m of extraordinary items (mainly closure costs) and £6.3m of exchange losses, and with the payment of the dividend this group had to transfer £15.7m from reserves. As a result shareholders' funds fell to around £500m and they might be another £50m lower if the group were to value its fleet and property at current prices. This supports gross borrowings of £252m.

This year borrowings are likely to remain at around this level and the interest charge could rise to close to £40m. Given that the overall profits of P & O could be heading down to £10m, the board's decision to cut back its ambitious plans—particularly in the energy business—is understandable enough.

The company has trimmed its staff levels (not before time), sold off loss-making subsidiaries and put most of its energy operations up for sale. It has chosen not to gamble on making a killing in the high risk energy business. The decision may make P & O a duller company in the future but at least it should be around in ten years time.

It has just about finished its heavy investment programme and liquidity pressures should start easing next year. In the short term, however, P & O faces two major problems. It has not got any closer to solving its overcommitment to LPG carriers—although rates have moved up, the four big carriers would still, taken together, be losing close to £10m a year. There is also the problem of Iran which used to account for perhaps a fifth of P & O's liner traffic. P & O has stopped sailings to that destination and with the profits of OCL heading lower in 1978, P & O's caution

Index rose 7.8 to 544.8



costs and a slight drop in retail margins. With these rates still high the group should be heading for over £20m pre-tax for the full year; at 102p the p/e on the published low tax charge would be 3.9, roughly in line with the sector.

French disclosure

The Paris Bourse's watchdog, the COB, is barking loudly again about the lack of information provided by some French companies. It presents a trenchant list of complaints: a third of French annual reports are clearly unsatisfactory (12 per cent downright inadequate), interim statements are often misleading, consolidated accounts should be improved, and figures from banks have tended to be hard to interpret.

The COB is worried that the wider disclosure brought about by its proposals in 1977 has gone too far. It is determined to keep on arm-twisting, but its direct sanctions are limited; recalcitrant companies have their names published in a list of sinners, while firms with a spottish disclosure record are allowed to produce abbreviated rights issue documents, which should allow them to come to market at short notice. But the COB is largely forced to make up in persistence what it lacks in teeth.

about future dividends makes sense.

With hindsight P & O's big mistake was to become too heavily involved in one or two sectors. As Furness Withy's results showed yesterday, it had debt under the new trading profits were only marginally lower at £11.0m in 1978. They would have looked worse if the company had not had the benefit of a big contribution from its offshore interests (£3m say)—particularly the "Uncle John" drilling rig.

Nat. & Commercial Laporte

National and Commercial is the first clearing bank group to have to cope with a lumpy debt under the new accounting and disclosure policies. The special provision—not quantified separately, but probably of the order of £6m or £7m—is of a size which would have been virtually lost from view under the old rolling five-year system, but it has caused the group's first half pre-tax profits to come out at no more than £21.1m against the £27m or so expected by the market. Sector analysts last night were linking the unidentified provision with Associated Securities, the failed Australian finance company in which National and Commercial had a shareholding until 1977.

Despite this problem, banking conditions have been highly favourable and pre-tax profits are 51 per cent above the comparable figure, though no more than in line with the level of the second half last time. Base rate averaged 12.1 in October-March against 6.6 per cent, and average group advances were some 18 per cent higher than for the first six months of 1977. In 1978, factors only partly offset by the 20 per cent jump in staff

Civil servants agree pay pact

BY PHILIP BASSETT, LABOUR STAFF

THE CIVIL Service unions yesterday formally agreed a pay settlement averaging 25 per cent over eight months for their 600,000 members.

But the effects of the campaign of selective strikes over the settlement by the two largest unions in the service, representing mainly clerical and executive grades, which were designed to interrupt Government and business cash flow, are likely to be felt for some time.

About £410m in value-added tax repayments to companies has been held up by the closure of the VAT computer centre at Southend Essex, since the start of the strike 10 weeks ago. The Customs and Excise said yesterday it could take more than three weeks to get back to normal.

Payments to Ministry of Defence contractors totalling about £600m have been held up by the closure of the Ministry computer at Liverpool, though contractors in difficulties during the strike have been claiming interim payments.

Small investors in Government savings have been hit by the closure of the Department of National Savings computers at Lymington, Lancs, and Durham, including £82m of National Savings certificates and £24m National Savings deposits.

Farmers' subsidies from the Ministry of Agriculture totalling £50m to £60m have been halted by the closure of the Guildford, Surrey, computer.

Payments to Property Service Agency contractors through the Department of Environment computer at Hastings, Sussex, totalling £94m have been held up by the strikes, though all but £23m has now been paid out manually.

About £15m in Department of Education central grants to universities and other institutions for research, etc., has been halted.

The Department of Industry and the Scottish Office were unable yesterday to detail how much of their grants had been held up.

Most departments reported that work would be back to normal within the next two months, but union officials estimate that the full effects of the strikes will be felt for much longer.

Inland Revenue stampers in the Stock Exchange will be at work again by Tuesday, as will most areas affected by the action.

Some Scottish court offices will be closed for the next three weeks while staff begin to deal with the backlog of work.

The executive of the Society of Civil and Public Servants yesterday called off the last of the strikes, leaving the way open for the unions to reach a settlement before any change of Government.

European chemicals industry 'lags behind'

BY SUE CAMERON, CHEMICALS CORRESPONDENT

WEST EUROPEAN chemical companies are falling "dangerously" far behind their U.S. competitors on profitability, costs and product prices, Dr. Gernot Winter, managing director of the German-based BASF group's polyolefins division, said yesterday.

Speaking in London, Dr. Winter said U.S. chemical companies were now making three or four times more profit on sales than their European counterparts. He warned that the consequences for the Europeans "could be diminishing investments, plants and technologies becoming obsolete and a further decrease in competitiveness."

There were "many reasons for the better position of the American chemical companies" and most of these advantages "would remain in the foreseeable future, particularly the advantage of better supply of raw materials and energy."

Dr. Winter estimated U.S. chemical concerns paid 20 per cent less than European companies for their crude oil and gas—which provide petrochemical and plastics raw materials as well as energy. He added that the U.S. industry enjoyed a largely uniform market of consumers, a uniform currency system and "largely undistorted competition without the disadvantageous influence of companies with political objectives."

He said the U.S. had had the "most favourable" pricing position over the years in all cases even after allowances had been made for fluctuations caused by exchange rates and market changes. Europe followed the U.S. on chemical prices "but at a considerable distance, which has dangerously increased during the first months of 1979."

It was also "important for the international competitive situation that in Western Europe nearly 94 per cent of the Gross National Product in 1976 was taken as taxes and social security contributions." But in the U.S. the figure had been only 29 per cent while in Japan it had been just 21 per cent.

Dr. Winter forecast that the next five years would be bleak for European plastics producers. He pointed out that in the case of products like LDPE (low density polyethylene) every 1 per cent reduction in capacity utilisation increased production costs by 0.5 per cent. He stressed that Western European LDPE plants were running at only 75 per cent of capacity.

"It is improbable that this unsatisfactory situation will improve within the next five years," Dr. Winter said.

PETROCHEMICAL PRICES (on DM basis)

	W. Germany	Japan
Naphtha	115	115
Ethylene	145	155
Propylene	120	140
Benzene	125	135
Cyclohexane	105	135

Court threat to theatre strikers

BY PAULINE CLARK, LABOUR STAFF

THE RECENT controversy over secondary picketing—a major trade union issue in the election campaign—will be highlighted today when London's South Bank Theatre board seeks an injunction against six National Theatre strikers to get building supplies through their picket line.

The board will argue in a High Court hearing to be held in chambers that because the strikers are employed by the National Theatre, their action is not protected by the 1974 Trade Union and Labour Relations Act. It believes the action amounts to "secondary" picketing.

Mr. Mark Harrison, South Bank Theatre secretary said yesterday that the pickets' action was delaying completion of the National Theatre building which was being carried out by the board as owner of the premises.

The board's decision to go to the High Court follows a series of court rulings on secondary picketing and related issues this winter, notably during the lorry drivers' strike and as a result of industrial action in the newspaper industry.

The board points out that it has no contractual relationship with the National Theatre employees and therefore has no dispute with them.

A separate injunction was taken out against the same six pickets on Monday this week to restrain them from trespass and nuisance. The National Theatre argued that the theatre was a public building, not a factory and the public had a right to go to and not be harassed.

The unofficial strike over pay by stage hands at the theatre is in its sixth week with little sign of a solution. During the dispute, 77 workers have been sacked for breach of contract.

The executive of the National Association of Television, Theatrical and Kine Employees this week voted by eight votes to seven against acceptance of a formula for re-engagement of the dismissed workers, in spite of support for the terms given by Mr. John Wilson, NATKE general secretary and Mr. Len Murray, TUC general secretary.

It demanded assurances from the strikers that they would safeguard National Theatre performances from disruption by unofficial strikes. In return it offered a series of procedures designed to protect them from arbitrary dismissal in cases of alleged misconduct. But only six took up the offer.

Gulf rations deliveries

BY KEVIN DONE, ENERGY CORRESPONDENT

GULF, ONE of the smaller UK oil suppliers, has started to ration petrol deliveries to all its customers in response to the continuing shortfall in crude oil supplies.

It is cutting back deliveries to all its retail outlets to 90 per cent of last year's levels.

The petrol allocation system has also been rationing supplies of gas oil, used for heating and diesel, to a similar level for the last two months.

Gulf has about 3 per cent of the UK petrol market and supplies more than 300 filling stations.

Its refinery at Milford Haven, South Wales, was particularly dependent on Iranian crude oil, and has suffered from lower crude deliveries.

It has been forced to try to make up supplies with heavier crudes, which are less suitable for the refinery.

Ninlan output Page 6

P & O cuts back as profits fall

More than 30 companies have shown interest in P & O's other U.S. energy interests, but the British National Oil Corporation is still regarded as having first option on the group's 15 per cent stake in the North Sea Beatrice field. On the basis of BNO's recent purchase of a 25 per cent stake in the same field, the P & O holding should be worth around £15m.

Lord Incheape said the measures taken and planned would "go a long way" towards securing the group's financial position, but he could not guarantee that there would not be other major asset disposals.

The only parts of the energy business not up for sale are the distribution companies in Britain and the U.S.

Israel will keep Golan Heights, says Begin

BY DAVID LENNON IN TEL AVIV

ISRAEL WILL never give up the occupied Golan Heights even in exchange for a peace agreement with Syria, Mr. Menachem Begin, Israeli Prime Minister, declared defiantly yesterday.

In an uncompromising one-hour interview on Israel's Independence Day he asserted: "Without the Golan Heights there is no security. We shall therefore make peace while we are still on the Golan Heights."

Mr. Begin also ruled out implicitly any withdrawal from the River Jordan. "There will never be a border in the western part of the Land of Israel," he said.

Israeli proposals for autonomy—which will be the subject of negotiations with Egypt and the U.S.—would give the Arab inhabitants of the West Bank "full administrative self-rule—but not legislative status." Meanwhile, Israel would keep control of security and maintain "the right of Jews to settle anywhere in the West Bank."

West Bank Arabs have protested about Israeli seizure of land between Ramallah and Nablus to create a Jewish town.

This is part of the Israeli programme to establish Jewish settlements between Palestinian population centres. The aim of this is to cut the West Bank into Jewish and Arab sections, making it impossible to establish a Palestinian state there.

Ramallah residents yesterday stoned a bus carrying members of the extremist Gush Emunim settlement movement to the starting-point of a march through the West Bank, intended to demonstrate the right of Jews to settle there. One passenger was injured.

In contrast, Mr. Begin said Israel should rejoice on this Independence Day, because, for the first time, it had a peace agreement with Egypt, the largest and most important Arab state.

"We have not solved our problems with other countries—Syria, Jordan, Iraq and Saudi Arabia—but they do not constitute a danger to our existence."

The Prime Minister said that, if they attacked, Israel would defend itself by counter-attacking. "We do not want this war or the victory which would result from it."

Mr. Begin also attacked the U.S. for granting a visa to Mr. Shafiq el-Husni, head of the Palestine Liberation Organisation's Office in Beirut, to make a speaking tour. He warned: "If one day the Americans open negotiations with that organisation of murderers it will be a black day for free mankind."

Issan Hijazi reports from Beirut. Mr. Abdel Helim Khaddam, Syrian Foreign Minister, held talks yesterday with President Elias Sarkis and other Lebanese officials in preparation for a Lebanese-Syrian summit conference.

State-controlled Radio Lebanon said an agenda for the projected meeting between Mr. Sarkis and President Hafez el-Assad of Syria was discussed. A date for the summit will be fixed when agreement is reached on the subjects to be considered.

Weather

UK TODAY

VERY COLD and showery everywhere.

London, S.E. Cent., S.E. Cent. N. England, Midlands. Wintry showers, sunny intervals. Max. 6-8C (43-46F).

Channel Isles, S.W. England. Rain or sleet. Max. 9C (48F).

Wales, Lake District, Isle of Man, N.E. England, Scotland. Wintry showers, sunny intervals. Strong winds. Max. 6-7C (43-45F).

Orkney, Shetland. Hall, thunder, gales. Max. 4C (39F).

● Outlook: Cold, sunny intervals.

WORLDWIDE

	Y'day	midday	Y'day	midday	
Alicante	15	59	Lisbon	16	61
Algiers	23	73	Luxor	43	109
Amman	18	64	Madrid	19	66
Bahrain	28	82	Málaga	23	72
Batavia	18	64	Manila	23	72
Bombay	28	82	Mexico	23	72
Buenos Aires	18	64	Moscow	7	45
Cairo	23	73	Nairobi	23	72
Canton	18	64	Paris	11	52
Cebu	28	82	Rangoon	23	72
Colon	18	64	Reykjavik	11	52
Hankow	18	64	Rome	11	52
Hong Kong	28	82	Santiago	11	52
Kobe	18	64	Singapore	23	72
London	18	64	Sourabaya	23	72
Lyons	18	64	Taipei	23	72
Manila	23	72	Tokyo	17	63
Medan	23	72	Yokohama	17	63
Perth	18	64			
Port of Spain	18	64			
San Francisco	18	64			
Singapore	23	72			
Sourabaya	23	72			
Taipei	23	72			
Tokyo	17	63			
Yokohama	17	63			

● Cloudy, ● Fair, ● Fog, ● Rain, ● Snow, ● Sunny, ● Storm, ● Squall, ● Snow.

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